FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,719 — Thursday September 5 1985 — D 8523 B

Japanese Trojan horse in U.S. car market, Page 12

World news

Moscow 'will end weapons pause'

The Soviet Union announced that it would "consider itself free" to deploy anti-satellite systems in space if the U.S. went ahead with a planned test of anti-satellite weapons.

Two years ago the Soviet Leader Yuri Andropov said the Kremlin was adopting a unilateral moratorium on testing and deploying anti-satellite weapons. It would remain in force as long as the U.S. refrained from similar testing and deployment.

The Reagan Adminstration has not said when the test will take place, but is has been reported that it will occur this month.

Egypt Cabinet quits

Egypt's President Hosni Mubarak appointed former Finance Minister Ali Lotfi as Prime Minister after Kamal Hassan Ali and his Cabinet resigned. Reasons for Ali's surprise resignation after 13 months in office were not immediately known.

Sri Lanka curfew

The Sri Lanka Government imposed a 16-hour curfew on the eastern part of the country after eight soldiers were killed in ethnic violence. Page 4

Israelis retaliate

Israeli aircraft bombed a Palestinian guerrilla base in Lebanon after a car bomb exploded in nearby Zahle, killing 14 people and wounding 46. Among the injured was a Chinese diplomat. Earlier story Page 4

Bolivian strike

Bolivian workers began a 48-hour general strike to protest against new government economic measures and threatened to make it indefinite if the authorities attempted to repress the protest. Page 5

Afghans flee

Hundreds of wounded Afghan rebels crossed to Pakistan from Afghanistan's Paktia province, where Soviet forces launched an offensive against them last month.

Demirel fights back

Deposed Turkish Premier Suleyman Demirel made an attack on President Kenan Evren, in what looks like an attempted political comeback. Page 2

New Sikh killings

Sikh extremists renewed their offensive aimed at wrecking attempts to bring peace to the Indian state of the Punjab by killing six people and wounding 15 more. Page 4

Prices deal agreed

Australia's Labor Government scored an important industrial victory when it secured a two-year extension of its pay and prices accord with the Australian Council of Trade Unions. Page 4

Sentence extended

Soviet human rights activist Merab Kostava, who is serving a five-year labour camp term, has received an additional two-year sentence for violating camp discipline, dissidents said.

Kasparov chess win

Challenger Garry Kasparov beat Anatoly Karpov in the first game of their world chess championship series in Moscow.

High jump record

Soviet athlete Igor Paklin set a world high jump record of 2.41 metres (7ft 10¾in) in Japan.

Success scented

The Kremlin's campaign against drunkenness received a boost as many Moscow chemists decided not to sell eau-de-cologne before 2pm. Page 3

Business summary

U.S. farm agency may seek bail-out

U.S. FARM CREDIT Administration, the supervisory agency that monitors the federal farm credit system, called a crisis meeting of its board in the face of mounting losses, which officials say might force the system to turn to Washington for a bail-out. Earlier story, Page 5

DOLLAR closed in New York at DM 2.8488, SwFr 2.347, FFr 8.6975 and Y239.55. It was on the whole weaker in London, falling to DM 2.8475 (DM 2.854), FFr 8.7025 (FFr 8.715) and SwFr 2.3455 (SwFr 2.351) but rising to Y239.55 (Y239.45). On Bank of England figures, the dollar's index fell to 139.0 from 139.1. Page 27

STERLING closed in New York at $1.370. It was generally firm in London, gaining ½ cent against the dollar to $1.374. It also rose to DM 3.9175 (DM 3.9075), FFr 11.9475 (FFr 11.9425) and Y329.0 (Y328.0) but fell to SwFr 3.2125 (SwFr 3.2175). The pound's exchange-rate index was unchanged at 82.0 Page 27

WALL STREET: The Dow Jones industrial average closed 2.47 down at 1,326.72. Page 34

LONDON equities eased but blue chips showed some improvement and gilts saw gains. The FT Ordinary share index slipped 1.4 to 1,006.4. Page 34

TOKYO prices were driven lower by a wave of small-lot selling. The Nikkei-Dow market average shed 101.40 to 12,529.47. Page 34

GOLD fell $3.75 on the London bullion market to $324.75 and was also weaker in Zurich at $325.50. In New York, the Comex October settlement was $326.70. Page 26

COCOA values continued their rally after last week's sharp sell-off. The December position in the London Futures Market gained £20 to £1,760.50 a tonne. Page 26

U.S. Federal Court ordered a temporary freeze on distribution of funds by the mortgage banking unit of Equity Programs Investment Corporation (Epic), whose problems caused a run on deposits at its parent Community Savings and Loan Association of Maryland last month.

CONSAFE, troubled Swedish offshore services group, saw a fresh development in efforts to rescue it when Swedyard, state-owned shipbuilding group and its major creditor, agreed not to insist on an immediate share issue as a condition of its SKr 600m ($71m) rescue. Page 15

FIRST PACIFIC HOLDINGS of Hong Kong has bought First Philippine Capital Corporation from the troubled Philippine Holdings Corporation for 75m pesos ($4m). Page 16

LIMOGES Porcelaine, French fine china group, announced plans to raise C$1.5m ($1.09m) through an issue of 1.5m shares on the Vancouver Stock Exchange. The share issue is aimed at investors in Europe and North America. Page 17

FRANCE announced fresh incentives to encourage work-sharing in industry to boost employment. Government will give priority in allocating investment and other aids to companies involved in work-sharing talks with employees, but no extra finance is envisaged.

BELL RESOURCES, fast growing offshoot of Robert Holmes a' Court's Bell Group, reported a surge in interim net profit for the first half from A$9.5m ($6.8m) to A$34.7m. Page 16

ALUSUISSE, Swiss aluminium group, forecast lower net earnings for the year after sales increased only 2 per cent for the half-year to SwFr 4.3bn ($1.85bn). Page 15

UNION CARBIDE, U.S. chemicals concern, said it expected more job cuts in its overseas staff structure after announcing retrenchments in its domestic workforce last week. Page 15

De Kock pledges backing for banks hit by debt freeze

BY PAUL TAYLOR IN NEW YORK, PATRICK BLUM IN VIENNA AND TONY HAWKINS IN JOHANNESBURG

DR GERHARD DE KOCK yesterday said that South Africa's central bank would stand behind the country's banks if any got into difficulties as a result of the debt moratorium.

Dr de Kock, the central bank governor, who was speaking in New York at the end of a round of meetings with U.S. commercial banks, the U.S. Federal Reserve Board and the International Monetary Fund, said South Africa "may very well swap gold in the very near future to provide an adequate supply of dollars to clear us through this period."

Dr de Kock disclosed that South Africa's banks had $6bn in short-term interbank credit lines with overseas financial institutions due within the next 12 months, including $2bn outstanding to U.S. banking groups.

He was speaking after strong pressure had forced the rand down by nearly 4.5 cents to 37 U.S. cents at one time yesterday. It recovered to close at 39.50 cents.

Earlier, a senior Swiss central banker cast doubt on the usefulness of banks' entering into gold swap arrangements with South Africa. Dr Hans Meyer, a director of the Swiss National Bank, warned: "Short-term measures of this kind cannot contribute much to solving the problem."

> Six large British trade unions hold shares in companies with interests in South Africa. The information comes as the Trades Union Congress prepares to debate South Africa at its annual conference, where delegates are certain to hear calls for disinvestment by British companies. Page 7; Lessons of miners strike, Page 4; TUC conference report, Page 14

Concern about the ability of some South African banks, particularly Nedbank – the nation's third-largest banking group – to operate normally in international financial markets, has mounted in recent days, leading to a sharp slide in its share price and mounting pressure on the South African authorities to issue a clear statement of support.

While Dr de Kock declined to discuss Nedbank's problems specifically, he said: "The South African reserve bank has, in the past, always stood behind banking cases of this nature." He repeatedly emphasised that South Africa was deeply concerned not to "exacerbate the international debt crisis," or cause a serious "ripple effect" in the world interbank markets.

Concern over Nedbank's position appeared to have receded somewhat in Johannesburg yesterday when its share price, which fell 175 cents on Tuesday, closed 10 cents higher on the day at 1,110 cents.

Dr de Kock confirmed that interbank deposits were included in the debt repayment freeze, but added: "There are all kinds of exceptions." For example, he said specifically that a U.S. bank deposit with a South African bank "will be exempted from the decree."

Explaining the decision, he said: "We had to include them pro forma in the net, otherwise that would have represented a loophole through which other kinds of payment would escape."

Nevertheless, he said South Africa had "gone out of its way" to ensure "an adequate supply" of dollars to branches of South African banks in London and New York "to meet their commitments."

Asked what measures the South African central bank was taking to maintain confidence in the interbank markets Dr de Kock said: "All interest payments will continue. Furthermore, we will do everything we can in regard to maturing forward exchange contracts and bank-

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Unctad attacks West's approach to debt crisis

BY ANATOLE KALETSKY IN LONDON

ABOUT 8m jobs may have been lost in Europe and the U.S. over a three-year period as a result of the Third World debt crisis and the consequent reduction in imports by Latin America and Africa. As much as 90 per cent of this burden has probably fallen on employment in Europe, which has suffered a cumulative loss of 6.8m man-years since the debt crisis broke in 1982 – equivalent to the disappearance of over 2m jobs annually.

These calculations are published today in the 1985 Trade and Development Report issued by the United Nations Conference on Trade and Development (Unctad).

Partly as a result of the job losses suffered by European and U.S. exporters to the Third World, Unctad argues, developing countries have been subjected to ever-tougher protectionist measures by the industrialised world. These have run directly counter to the pressures to generate large trade surpluses applied to debtor countries by the International Monetary Fund and the banks.

The Geneva-based Unctad Secretariat estimates that about a third of the Third World's exports are affected by some form of protectionist barriers and that 65 per cent of the developing countries' most important manufacturing exports are restrained by non-tariff measures.

If all non-tariff barriers were dismantled and all exports from developing countries were allowed preferential access to industrialised country markets under the Generalised System of Preferences, the Unctad report estimates, the Third World's export earnings could be increased by $34bn annually.

The report argues that the present value of such an increase in export earnings would be equivalent to $700bn, or 85 per cent of the Third World's total foreign debt.

Unctad argues forcefully that the present approach to the Third World debt problem is imposing excessive costs on developing and industrialised countries alike, that it is distorting the international trading system, and that it is likely to prove unsustainable in the long run.

Unctad also expresses scepticism, however about the many proposals for radical debt restructuring and relief which have been put forward by some Third World governments and international financiers. Although such proposals "might contribute to alleviating the debt crisis, they fail to address satisfactorily the medium-term financial difficulties of developing countries," it says.

Any permanent solution to the debt crisis will depend on sharply lower interest rates and accelerated growth in the industrialised countries.

Details, Page 6; Editorial comment, Page 12

Severe weather forces huge losses on leading UK insurers

BY ERIC SHORT IN LONDON

TWO LEADING UK composite insurers, Guardian Royal Exchange and Sun Alliance, have reported heavy after-tax losses for the first half, largely because of the severe winter in Britain.

Both groups suffered through poor conditions in Canada and natural disasters in the Australian market, where GRE paid A$20m ($13.8m) on cyclone damage in Fiji.

GRE had an after-tax loss of £6m ($8.3m), against last year's profit of £24.1m, after barely breaking even at the pre-tax stage with a profit of £800,000m. Sun Alliance had a net loss of £20.6m, a pre-tax loss of £15m, compared with last year's £8m net profit.

Those results followed the poor results announced last month by the other three large composites, Commercial Union, General Accident and Royal Insurance.

Nevertheless, they took the market by surprise – which was looking for useful, if reduced, profits from both groups.

GRE's share price shed 45p to 685p despite a slight increase in the interim dividend from 8.5p to 9p, while Sun Alliance, with an unchanged interim dropped 22p to 475p.

The full effects of the big freeze-up in January and February were not fully appreciated at the time even by insurance companies. However, it cost Sun Alliance, Britain's largest household insurer, £27.2m on its property account, mainly from burst-pipe damage in homes.

The damage, according to Mr Geoffrey Bowler, Sun Alliance's chief executive, was more costly than that arising from 1984's winter storms.

The other chief influence on the results from both groups was the continued deterioration in motor insurance business in the UK. Both groups are leading motor insurers in the UK, Sun Alliance now coming to the fore through last year's acquisition of Phoenix Assurance.

As such, they have been affected by rising numbers of motor claims and because the average cost of motor claims has climbed faster than inflation.

Mr Peter Dugdale, GRE's managing director, reported the number of claims up by more than 10 per cent over the past 12 months from 18 claims per 100 vehicles insured to 19.9 claims per 100.

Lex, Page 14; Results in detail, Page 20

Paris gives cable TV further FFr 2.8bn boost

By Paul Betts in Paris

THE FRENCH Government is pressing ahead with its ambitious cable-television plans with additional investments of FFr 2.8bn ($322m) next year.

Mr Louis Mexandeau, the French posts and telecommunications minister, yesterday renewed his Government's commitment to the programme while doubts have been growing over the future of the cabling venture.

The cable programme was launched nearly three years ago with great fanfare by President François Mitterrand. The plan involves the cabling with optical fibres of the entire country at a cost of about FFr 50bn over the next five years. The French telecommunications authority, the Direction Générale des Télécommunications (DGT), has been an ardent advocate of the optical-fibre programme, which it sees will open the way not only to cable television but to a new generation of advanced telecommunications services.

But in recent months, the cable programme has been increasingly questioned and undermined by rival technologies and projects including satellite television and President Mitterrand's own more recent decision to deregulate television broadcasting in France and allow private over-the-air television stations.

After discussion of the cable programme at a cabinet meeting yesterday, M Mexandeau insisted that the project was making good progress and had the backing of the Government. The FFr 2.8bn investments budgeted for next year represent an increase of about FFr 1bn over the funds allocated in this year's budget for the cable programme.

Despite President Mitterrand's decision to deregulate television broadcasting, M Mexandeau claimed that no cities or local communities that had already committed themselves to cable had withdrawn from cable agreements. Among the main cities to have committed themselves to cable are Paris, Montpellier, Grenoble, Rennes and recently Lyons, among many others.

M Mexandeau said that more than 5m French households would be able to be connected to cable by 1990. By the end of this year, 20 local communities would have signed conventions with the telecommunications ministry to connect up to 2m households to cable networks. The minister added that FFr 2bn

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California bill on unitary tax relief may fail

BY RHODERICK SHARP IN SACRAMENTO AND CHRISTIAN TYLER IN LONDON

A BILL to give foreign multinational companies relief from California's controversial "unitary" tax appears to be in serious trouble in the state legislature.

If the bill fails altogether, the state could face formal retaliation by the British Government as well as a growing investment strike by big companies worldwide.

Unitary tax, the use of which in the U.S. was pioneered by California, assesses the local arms of multinationals on a proportion of the group worldwide income, assets and payroll. The traditional "arm's length" tax method treats a local subsidiary as if it were a separate entity.

Opponents say the unitary system is arbitrary, expensive to comply with, and leads to double taxation. Supporters believe it stops multinationals evading local taxes.

The U.S. Federal Government is again considering whether to table countrywide legislation to prohibit the use of the unitary method.

In the past year six states have withdrawn the system. Of the half-dozen still operating it, California is the most important.

The Reagan Administration has been reluctant to override the states. President Reagan, a former Governor of California, has been especially wary of interfering with states' rights.

Many state politicians have acquiesced, however, in the face of political and commercial pressures which have seen a shift of direct foreign investment towards states that have ended the method.

British officials are still hopeful that the California reform, which would give foreign and U.S. corporations with 80 per cent of their business overseas the option to be taxed only on their earnings in the state, will still go through.

Members of the California Assembly's ways and means committee, however, disagreed so strongly about the bill's contents on Tuesday, that a vote to pass it was not even proposed.

An amendment linking the issue to investment in South Africa, proposed by Democrats, was blamed for alienating vital Republican supporters of the measure.

The amendment inserted last week would require corporations opting out of the unitary assessment method to promise to invest no further in South Africa. Many believe this leaves the bill fatally flawed.

The bill's supporters, including California's Republican Governor Mr George Deukmejian, now face an uphill procedural battle to have it reconsidered.

With the state assembly due to rise on September 13, the committee has only a few days in which to rescue the bill. This could be

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Bundesbank hints at cut in interest rates

BY MAX WILKINSON, ECONOMICS CORRESPONDENT, IN FRANKFURT

A FURTHER easing of West German interest rates might form part of a concerted effort by the leading industrial nations to improve the momentum of economic growth, Herr Karl Otto Pöhl, Bundesbank president, said yesterday.

The West German central bank's president said he thought every country should "do what it can" to promote growth as the U.S. economy slowed down.

Herr Pöhl was speaking as the world's central bankers and finance ministers start to prepare for a series of meetings at the annual conference of the International Monetary Fund (IMF) in Seoul next month.

He said that West Germany, with an annual growth rate of about 3 per cent, was already expanding almost as fast as was prudent. However, there could be scope for perhaps another ½ percentage point of growth without the risk of "running into bottlenecks."

Last month's ½-percentage-point cut in the Lombard rate to 4½ per cent, the cut in the discount rate and the easing of money-market conditions had helped the process, as had the announcement of DM 11bn ($3.85bn) worth of tax cuts next year.

He said a further reduction of West German interest rates might improve growth prospects and "was not excluded." However, that would depend on the dollar resuming its fall, as he believed was likely.

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EUROPEAN NEWS

Bonn jobless policy attacked

BY PETER BRUCE IN BONN

THE WEST GERMAN trade union leadership has sharply criticised the Bonn Government's efforts to cut back on unemployment following the release yesterday of new jobless figures showing that the number of people out of work in August – 2.2m, or 8.9 per cent – is the highest in any August since the end of the second world war.

A senior member of the German Trades Union Federation (DGB) executive, Herr Michael Geuenich, said the figures amounted to an "extremely bad testimonial" for the Government's economic policies.

The union leader's comments are likely to set the tone today when Government, industrial and union leaders meet together in Bonn for the first time in eight years in an effort to hammer out a common plan to combat unemployment.

The August jobless figures did, in fact, show a marginal drop from the 9 per cent unemployment recorded in July, but the Government has had to report a record post-war total for every month so far this year.

Today's talks, called by the Government, which is now urgently seeking some accommodation with the unions over ways to cut unemployment before the next election in early 1987, are not likely to end with any concrete proposals or agreement.

Herr Ernst Breit, chairman of the DGB, said yesterday the success of the talks could only be measured in terms of real progress in cutting dole queues. He accused the Government of claiming a political breakthrough merely because the three-way meeting is actually taking place.

Chancellor Helmut Kohl, for his part, appealed in advance to employers and unions not to use the talks to trade accusations. Herr Kohl, who will chair the meeting, also appealed to the unions to stop accusing the Government of doing nothing to help the unemployed.

The DGB has planned a series of nationwide demonstrations next month to protest against Government policies on cutting unemployment and against what they claim are cuts in social benefits.

The Government, however, strongly defended its economic policies yesterday at the start of a three day debate on the 1986 budget. Dr Gerhard Stoltenberg the Finance Minister admitted that unemployment had not been broken during the current recovery but said that the problem had not arisen overnight and could not be dealt with quickly.

Presenting plans to increase Government spending by just 2.4 per cent to DM 264bn ($92.6m) and to hold the budget deficit to this year's level of DM 25bn, Dr Stoltenberg said employers and unions had an excellent chance next year to improve the employment chances of the jobless and of young people.

The continuation of budget consolidation by puplic authorities and a reduction in state involvement in industry would help to keep interest rates and prices down and consequently improve investment and consumer spending, he insisted.

Shell sees big rise in W. German car sales

BY JOHN DAVIES IN FRANKFURT

WEST GERMANY should see another strong uplift in car sales towards the end of this decade, as the children of the 1960s "baby boom" grow up and as more women drivers take to the road.

This is among forecasts by the Shell oil group in a study of the West German car market.

It also suggests, however, that the market for new cars during the 1980s might settle down at about the present level. With the country's population already declining, the total number of cars on West German roads will start to drop from about the year 2000.

Shell has released its predictions on the eve of the International Automobile Exhibition in Frankfurt from September 12 to 22 — a major event held every two years.

The study suggests West Germans remain strongly attached to their cars, even though they have recently been unsettled by claims that exhaust emissions could pose a threat to forests—something else dear to their hearts.

Many motorists put off buying cars late last year and early this year to wait for the confusion over the Bonn Government's proposals to tighten emission controls, to disperse.

This reaction, together with the effects of the car industry strike last year, served to upset Shell's last market forecasts in 1983, when it pointed to a coming upturn in demand for cars.

Now that new registrations are again gathering pace, Shell cautions that the emission controls debate and economic trends might still restrain the growth of car sales this year and next.

It sees a sharper peak in car sales in about 1989, possibly, though not necessarily, exceeding the record 2.66m new-car registrations of 1978.

The "baby boom" between 1961 and 1967 should help buoy up future car sales, especially as the new generation could well prefer buying a car to getting married and having children.

Women are also increasingly taking to driving. In the 1960s, only a third of licences went to women. Now they take out between 41 and 46 per cent.

These factors should help boost the car market even though the population is already falling and the adult population is likely to start falling from about 1990.

The older generation, too, are determined to keep on motoring. This also will help lift the total number of cars on the road, expected to rise from 25.86m now to about 30m in the year 2000.

Demirel takes Evren to task

By David Barchard in Ankara

MR SULEYMAN DEMIREL, who was deposed as Turkey's Prime Minister in the 1980 military takeover, has made a direct attack on President Kenan Evren in what appears to be an attempted political come-back.

He accused the President of dividing the country into those who are allowed to speak and those who are not.

"If everything is permitted for certain people in Turkey today, while everything is forbidden to others," Mr Demirel said, "it will hardly bring credit on our country."

Last Sunday, the President warned Parliament to stick within the guidelines of the constitution he introduced in 1982, and issued a warning to former politicians that they should be keeping slient.

Mr Demirel, who controls Turkey's third largest party, the centre-right True Path Party, from behind the scenes, is banned from returning to politics for another seven years.

He accused the President of violating laws he himself had passed banning discussion events before the 1980 takeover. "I cannot allow myself to be shown responsible for the anarchy and terrorism in Turkey before 1980," he said.

"In Turkey, guilt or innocence is established by competent legal authorities."

Mr Demirel has never before come so close to challenging the authorities to put him on trial, a step he knows would have serious domestic and international repercussions.

Japanese mission attempts to avert EEC protectionism

BY PAUL CHEESERIGHT IN BRUSSELS

SENIOR JAPANESE officials yesterday spent five hours explaining the Tokyo Government's latest package of market-opening measures to the European Commission as part of a diplomatic effort to head off the build-up of protectionist pressures in the EEC.

Mr Yasuhiro Nakasone, Japan's Prime Minister, at the end of July unveiled a three-year package of measures designed as trade liberalisation and as a redress of Western grievances.

The Japanese mission this week has had talks not only with the EEC Commission, but with the Belgian and British Governments. In each case, the response has been cautious on the basis that analysis of the measures is not complete. The Commission analysis will be ready by the end of the month.

Mr Takao Kawakami, deputy director of the cabinet special assignments office in Tokyo, said that the mission had received no undertakings that influence would be used to stop measures which might affect the flow of Japanese exports to the EEC.

He is likely to meet similar caution as he continues his mission of explanation in Paris and Bonn.

However, Japan is clearly hoping that the package will act as a catalyst for renewed international efforts on trade liberalisation as well as a fresh round of multilateral negotiations within the General Agreement on Tariffs and Trade (Gatt).

"Import promotion should be reciprocated by our trading partners to produce concrete results," Mr Kawakami said. Japan is currently running a $50bn trade surplus, expected to rise next year to $56bn.

● Sumitomo Heavy Industries announced yesterday that it had concluded an agreement with Valmet of Finland for technical co-operation n shipyard management, according to agency reports.

The two-year contract calls for technical guidance, labour management and workers' training to upgrade production efficiency of Valmet's shipyard in Helsinki.

Valmet reported sales equivalent to Y240bn ($1bn) for 1983.

Marchais brings muted message from Moscow

BY DAVID HOUSEGO IN PARIS

RELATIONS BETWEEN the French and Soviet Communist parties may be warm, but Moscow does not appear to have forgiven the French party leadership for taking part in the coalition Government with the Socialists.

This emerged in the full text of a joint declaration issued after talks earlier this week in Moscow between M Georges Marchais, the French Communist chief, and Mr Mikhail Gorbachev, the Soviet leader.

Mr Gorbachev is due to visit France next month.

Moscow made amply clear at the time that it was unhappy with the Communists' presence in the government. It was even more unhappy when President Francois Mitterrand's administration supported U.S. missile deployment in Europe.

Now that the Communists have pulled out of the government they might have expected public support from Moscow for their stand. But there was not a word in the communique published yesterday that echoed their own bitter attacks on the Mitterrand government.

Soviet silence on the issue is best explained by Moscow not wishing to cast a shodaw over Mr Gorbachev's visit to France. It will be his first to West Europe as Soviet leader and will precede his summit with President Ronald Reagan.

The Russians clearly hope to use the visit to exploit differences within the Western alliance over the U.S. Strategic Defence Initiative (SDI). France has said that it will not participate

Though M Marchais has not received explicit approval for his current campaign against M Mitterrand's Government, Mr Gorbachev's coming to power is itself a blessing for the French leadership. Because the French Communist Party is so closely identified with Moscow in the eyes of public opinion, the party's image is improved if there is a reformist, personable leader in the Soviet Union.

Goria spells out why Italian lira crashed

By James Buxton in Rome

WHEN ENI, the Italian state energy group, pressed ahead with an order for $125m on July 19, pushing the lira down almost 20 per cent against the dollar, it was probably influenced "at least after a certain point in the operation" by the possibility of an imminent devaluation of the lira, Sig Giovanni Goria, Italy's Treasury Minister, says in a report published yesterday.

The crash of the lira occurred on July 19 when ENI bought $125m despite Bank of Italy advice to postpone the transaction. The Bank refused to support the currency in order not to waste foreign exchange when it already intended to seek a devaluation of the lira within the European monetary system.

In the event, the lira was devalued by an effective 8 per cent.

The central bank could not inform ENI of the reason for its advice without compromising its plans to seek a devaluation, which would have been improper, the report says.

Sig Goria says: "The finance department of ENI, at least after a certain point in the operation, was probably acting on the hypothesis of an imminent devaluation of the lira. This rendered mutually incompatible the two principal objectives of the Bank of Italy —to prevent speculation and to maintain orderly markets. The Bank gave priority to the first of these objectives."

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Spain plans to change face of a very masculine image

AN INSTITUTION that has long been part of Spain's image to the world is about to undergo a facelift. The paramilitary Guardia Civil is to open its ranks to women, writes David White in Madrid. The creation of a women's arm of the distinctive black-hatted force is one element of a police reform which the Socialist Government sent to Parliament yesterday after many months of delays and unrest among different police factions.

The State Security Forces Bill, which draws a new line between the role and nature of the Guardia Civil and those of the police, is still hotly contested. After pushing the Government to get a move on with its promised reform, police unions complain that it fails to give them the full union rights they were seeking as a civilian body.

They have been campaigning for the right to strike, which the Bill denies them. Instead, the Government foresees arbitration to resolve labour conflicts in the police.

A key aspect of the reform is that it "de-militarises" the uniformed police operating in urban regions. When the ill-famed Armed Police of the Franco era was re-dubbed the National Police and its sinister grey uniforms changed for brown ones, it continued to operate under senior officers on loan from the army.

Amid union charges of an army "bunker" in the police and moves by the Interior Ministry to change the command structure, there has been a wave of dismissals and resignation notices among high-ranking officers this year—including the sacking of the force's second in command. The 300 officers seconded from the army now have six months to choose whether to pursue police or military careers.

The law reduces Spain's national security forces to two bodies. The 50,000 strong National Police and the 8,000 plain-clothes inspectors and superintendents of the Superior Police Corps are merged as the National Police Corps, defined as "an armed institution of civilian character."

Alongside this is the Security Corps or Guardia Civil, 65,000-strong, defined as "an armed institution of military nature." The police obtain the main responsibility for drug control, while the Guardia Civil's area of action is extended by the creation of a maritime division.

Spain also has 65,000 local city police and 4,500 men in uniformed forces set up by the autonomous Basque and Catalonia governments. In an effort to co-ordinate all these, the Bill provides for a Security Policy Council, on which the Interior Ministry and regional governments will be represented.

EUROPEAN NEWS

Gorbachev visit to oil fields signals concern over output

BY PATRICK COCKBURN IN MOSCOW

MR MIKHAIL GORBACHEV, the Soviet leader, has shown the *Kremlin's* concern at the fall in oil output over the past 18 month by starting a visit yesterday to the Soviet Union's main oil and gas producing region in West Siberia.

The Soviet Union, the world's largest oil producer, has seen crude and gas condensate production drop by 4 per cent to 346m tonnes in the first seven months of the year. Gas output rose by 10 per cent to 368bn cubic metres over the same period.

Mr Gorbachev's visit to the oil province of Tyumen is the fourth in a series of tours he has made to the key centres of the Soviet Union since he was elected leader last March.

He had expressed concern earlier in the summer at the high proportion of Soviet capital investment—about a fifth of the total—absorbed by the energy industries. He said it should be possible to "stabilise the share of capital investment directed towards the extraction of fuel and raw materials."

The oilfields of Tyumen, a region of marshlands impassible in summer and frozen in winter, were rapidly developed in the 1970s and early 1980s. They produce 7.6m barrels a day of crude out of a national total of 12.3m b/d. The Soviet Press has accused the Oil Ministry and other bodies in Tyumen of damaging the oil reservoirs by rushed and unplanned exploitation.

At the start of August, a fifth of the oil wells in Tyumen were not working and the region was 15m tonnes behind its plan for oil output, according to the weekly Economic Gazette.

The fall in oil production has not been reversed by an extensive purge of senior management and the dismissal of the Oil Minister earlier this year.

Gorbachev: in Siberia

Mr Gorbachev's visit yesterday, however, may presage a further *reorganisation in the* way in which the oilfields are run. Criticism in the past year has focussed on the lack of co-ordination between the ministries and Communist party organisations responsible for Tyumen.

But the thrust of Soviet energy policy today is to meet the demand for more fuel by economies in its use and not by higher production figures. Since 1982, the power stations *have been extensively modified* to use gas rather than crude oil as a power supply.

Problems in the *oilfields* were exacerbated at the start of the year by extremely bad weather which reduced output and increased consumption. Oil exports to the West were sharply reduced, leading to a *trade deficit* of $2bn in the first quarter of the year.

Muscovites get a kick from Cologne

By Our Moscow Correspondent

THE KREMLIN'S campaign against drunkenness has received a minor boost with the decision by many Moscow chemist shops not to sell eau-de-Cologne until after 2pm. The reason is that early morning customers are gulping down perfume for its alcohol content as soon as they have left the shop.

Hair lotion is particularly popular among Moscow alcoholics, but, if this is not available, there is *Kara Novo* eau-de-Cologne at 66 kopecks (52p) a bottle, suggests a journalist on Trud, the union newspaper.

Avoid at all costs, he says, a perfume known as *Carmen*, which "makes the customer feel as if his throat was cut."

Three months after the drive against drunkenness was launched, 649 factories and *workshops are reported to have* switched from making spirits to the production of soft drinks or confectionery. The price of a bottle of vodka is to go up by Roubles 1.5

Over the past month, the rumour has *swept* through Moscow's drinking classes that December is to be declared a dry month.

This is almost certainly untrue, but there is no sign of the anti-drink campaign slowing up, despite *the popular* suspicion that, as a Soviet television commentator put it, the Government "will be tempted by easy profits from the sale of alcohol."

It is still too early to say what inroads sobriety is making in the Soviet Union. The consensus is that it still has a long way to go, but drunkenness has declined in the cities

In the countryside, the campaign is said to have had only a limited *impact*, and the sale of "moonshine" continues.

Company sales to increase in Finland

By Olli V. Virtanen in Helsinki

THE NUMBER of Finnish companies up for sale is likely to increase substantially after the Government's proposal to set a tax on capital gains.

According to the budget proposal for 1986 the tax would amount to a maximum 7 per cent of the selling price starting January 1 1986. Until then capital gains remain exempt of tax provided the seller has owned the stock for more than five years.

The anticipated tax has prompted a record number of acquisitions since summer 1974 when plans of the tax first leaked out. The number of companies changing hands quickly doubled to an *annual* level *of 1,800. After* the proposals were made public experts predict that even more owners will sell their possessions.

The largest company that has changed hands in the past 12 months was Puolimatka, one of Finland's biggest constructors, which was bought by a Finnish corporation. The purchase price has not been disclosed but according to well informed sources the owning family got approximately $180m for their stock. Another half a dozen companies in the region of $50m have been sold by a single family in the last 12 months.

According to the budget proposal a maximum 50 per cent of the selling price is considered capital gain. The capital gains tax at 20 per cent reduces the tax to 10 per cent of the price. As individuals in Finland pay a maximum 70 per cent in personal taxes the capital gains tax comes down to 7 per cent of the selling price.

Leslie Colitt writes on Poland's economic reforms

Warsaw keeps its fingers crossed for a recovery

POLAND'S economists, despite their poor salaries, live life in an environment which approaches a *professional* nirvana. Their sometimes imaginative analyses of ways to overcome the nation's economic malaise are published at great length in the Polish mass media.

Who knows, with the economy torn in so many different directions at once, anything they suggest might just turn out to be the right solution. The Government is *encouraging this diversity as it* does not want to be held solely responsible for economic development as it was in the past.

One esteemed economic adviser to the Government, for example, wrote that in the "long run" self-regulating market mechanisms should prevail. In the short-term, however, he advised economists to provide foundations for "judicious decision-making by the *centre" to choose* the *goods* where "equilibrium" was to be most quickly achieved.

The "centre" means the Planning Commission and the industrial ministries whose power was reduced under the economic reform programme launched in 1972.

"Equilibrium" has become a favourite word in the Polish economic vocabulary, indicating a balanced supply and demand of consumer goods.

Another noted economist, however, said that even if equilibrium in the marketplace were to arrive it would not be tolerated for long by Polish producers. They would ensure that scarcity again prevailed and would bolster profits by pleading for added financial concessions and tax rebates from the Government.

The Government asserts that the reform programme is proceeding, although with many difficulties; its Polish critics including many in the Government say it was nipped in the bud.

On the plus side, prices have been sharply raised for consumers and for many producers, *as envisioned, although they are* still a long way from reflecting costs. In what one critic calls the present "modified" command economy, company directors are more independent from the ministries than before in deciding what to produce.

The Planniag Commission can no longer issue directives *to be fulfilled.* But often this is cancelled out by the company's dependence on the industrial ministries for financial preferences and allotments of scarce raw materials and semi-manufactured goods, especially from the West.

One critical economist noted that hard currency exports fell *2.5* per cent *in the first seven* months of this year, while imports rose 11 per cent, but the right of companies under the reform to retain a portion of hard currency earnings had acted as an incentive to prevent exports from collapsing entirely.

Company self-management bodies provided for under the reform are showing little *in*terest in managerial problems because they feel deprived of any *real* influence.

Small private tradesmen and producers who were to have been guaranteed a modest but secure role within the Socialist market economy are prospering, but not in a normal fashion. They suspect *the* Government will not tolerate them for long and so are maximising short-term profits by producing highly-lucrative items, such as fashion accessories, but not essential products in short *supply*.

Private farmers who produce some 80 per cent of agricultural output *are also thriving*, as is often the case when the rest of the economy is in turmoil.

Four years of bumper grain harvests and higher government purchase prices have permitted Poland to replace some hard currency fodder imports with domestic grain. This summer's grain harvest, though, may *result* in *losses* because of recent heavy flooding in southern Poland.

Bountiful fruit *and vegetable* crops offer a semblance of competition in the food market, *which* is totally lacking elsewhere. But meat is still rationed and anything beyond the 2.5kg (5.5lb) per month for the average Pole must be bought on the booming black market.

The only producers who supply consumers with exactly what they want are flower growers. Their prices are determined by the *near-perfect* competition of tens of thousands of growers and sellers.

The official trade union, anxious for popular approval since the banning of Solidarity, has written higher wages on its banner. The Government is in no position to seriously resist pay demands, which are the price for having eliminated the independent union. Wages have risen 19.3 per cent so far this year.

If factory managers resist wage demands they risk being deserted by workers leaving for greener pastures. Instead of the envisioned labour surplus, which the economic reform was to have created by the closure of inefficient plants, there is a growing labour shortage. This inability to shut down unprofit*able factories is another* part of the price the Government is paying to pacify workers.

The role of the Planning Commission, according to two deputy chairmen, Mr Jerzy Gwiazdzinski and Mr Stanislaw Dlugosz, remained "fundamental" in the economy, although planners would no longer intervene in its daily functioning. However, it continues to draft the Five Year Plans which determine the proportion of investments to go to sectors of the economy it considers crucial.

"We must increasingly function as a general headquarters," said Mr Gwiazdzinski, while *leaving a "lot of independence"* to companies. He said the quality of the commission's work had been significantly elevated since the 1970s when it used modern methods as "decorative elements."

Now, he *maintained*, *its* economists carefully evaluate industries according to their export potential and create "simulated exercises" examining what would happen if demand receded in world *markets*.

The commission tried to diminish risks in making its assessments, but Mr Gwiazdzinski admitted that errors in prognostication could not be wholly eliminated.

Mr Dlugosz argued that not all aspects of the centrally-planned economy had been bad. The Polish consumer goods situation in the mid-1970s was "probably the best in Eastern Europe."

He explained that the old *system had suffered from* "planning optimism," but it had provided years of dynamic development. "Strong discipline" had existed in pursuing goals even though the means to implement them had not always been provided.

However, Mr Dlugosz said that "decentralised decision-*making*" was needed now, but that it must not deteriorate into anarchy or 19th century capitalism.

Both Mr Gwiazdziroski and Mr Dlugosz, who said they had served "many administrations" in Poland, agreed that developing a Socialist market economy similar to that of Hungary was not the *solution for Poland*.

The Hungarian reforms were, however, what Poland's economists were aiming for, when they launched their reform programme three and a half years ago.

THE INTAKE of lead both in the air and food by people living in Silesia, Poland's industrial heartland, has produced a "frightening" increase in the number of retarded children in the area, according to a scientific report, Christopher Bobinski writes from Warsaw.

The report by the chemical sciences committee at the *Polish Academy of* Sciences, extracts of which have been published in Zycie Warszawy newspaper says that two years ago Poland had the worst air pollution in Europe. Only 9 per cent of the rivers could be called clean and soil pollution in areas next to industry was "highly worrying."

Silesia, the coal and heavy industry area, the Legnica copper producing district, the northern sea coastline near Gdansk and parts of the Krakow area were already "ecological *disaster* zones," it says.

The report recalls that in 1982 the *Government's own* planning commission mapped out areas inhabited by nearly a third of the population as "being under ecological threat." It blames this on the low level of spending on anti-*pollution measures* in *the* 1970s, and warns that more must be spent now.

Hawke Government extends pay, prices deal with unions

BY MICHAEL THOMPSON-NOEL IN SYDNEY

MR BOB HAWKE'S Australian Labor Government scored an important industrial victory yesterday, securing a two-year extension of its historic pay and prices accord with the Australian Council of Trade Unions (ACTU).

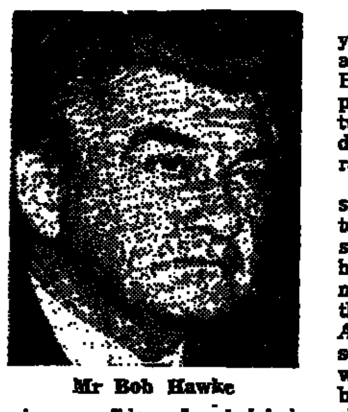
At the same time, the Government and unions said they had reached a "wages accommodation" to help counteract the effects of this year's sharp depreciation of the Australian dollar.

Workers are expected to receive an agreed 3.8 per cent wages increase in the current bearing before the Arbitration Commission, but ACTU has agreed to a reduction of 2 percentage points in the wages award it will seek next April.

This reduction will be offset by income tax cuts from next September 1.

Centralised wage-setting, with awards directly linked to increases in the consumer price index, is one of the keystones of the pay accord, on which most of the Government's economic succuss to date is based.

The Confederation of Australian Industry reacted predictably and angrily, describing the agreement as a "severe blow to employers and business confidence," and claiming that it would fuel inflation.



Mr Bob Hawke

Mr Bryan Noakes, the confederation's director, said ACTU had again exploited its privileged position and that the Government "has succumbed to ACTU pressure in an attempt to keep the accord alive."

An opposition spokesman said the wages package could "only intensify the inflationary pressure which is already showing up in statistics and being felt directly in industry."

Australia's inflation rate for the year to last June was 6.7 per cent, against 6.5 per cent the year before. However, sizeable increases in final prices can be expected in the first two quarters of 1985-86, with predictions of a 10 per cent inflation rate widespread.

However, Mr Paul Keating, Treasurer, and Mr Ralph Willis, Minister for Employment, said in a joint statement: "The wage restraint embodied in the new two-year commitment by both parties will ensure that the significant benefits of the Australian dollar depreciation are secured. On current estimates this will result in inflation being wound back by 1986-87 to around the levels achieved during the past two financial years, with a further slowing in prospect into 1987-88."

They insisted that "appropriately firm fiscal and monetary policies will continue to be maintained," and said the pay deal paved the way for continuing strong economic and employment growth.

A separate productivity claim of 4 per cent by the unions will be paid in the form of a 3 per cent increase in occupational pensions from July 1986.

Uganda peace talks resumed

BY MARY ANNE FITZGERALD IN NAIROBI

A PEACEFUL settlement between Uganda's two largest military factions, the Government's Uganda National Liberation Army and the underground National Resistance Army (NRA), remained elusive as a second round of talks opened in Nairobi, Kenya, yesterday.

While both sides expressed willingness to end the tribally-based fighting that has dogged Uganda for the past 15 years, their mutually intransigent positions overshadowed prospects for reaching agreement.

The eight-man Ugandan Government delegation was led by Col Wilson Toko, Defense Minister and Vice-Chairman of the ruling military council. The NRA guerrillas were represented by Mr Yoweri Museveni, their leader.

Two days of negotiations in Nairobi last week were adjourned inconclusively, ostensibly so that both sides could assess their positions.

"We must not have harsh words for each other. We must work together," Mr Olara Otunnu, Uganda's Foreign Minister and a member of the Government negotiating team, said to Mr Museveni in a brief exchange before the talks began.

Mr Museveni has so far displayed no inclination to compromise on his tough demands. He is seeking equal representation on the 12-man military council and is believed to want the influential post of Vice-Chairman for himself. The Government has offered the NRA a third of the seats.

Mr Museveni wants to integrate his troops – of whom there are about 5,000 – into the army with ranking positions for his senior men. The army, dominated by northerners, has been accused of persecuting the people of southern and western Uganda, many of whom are NRA supporters.

Mr Museveni is also reported to have proposed that the tenure of the interim coalition Government, now six weeks old, be extended to three years. Gen Tito Okello announced at his swearing-in as head of state that elections would be held in 12 months.

Mr Museveni is in control of the Luwero triangle to the north of Kampala and has established bases as close as five miles from the capital. The NRA also operates freely within large parts of western Uganda.

Extremists murder six in Punjab

By Our Foreign Staff

SIKH EXTREMISTS renewed their offensive aimed at wrecking attempts to bring peace to the Indian state of Punjab by killing six people and wounding 15 more in eight separate attacks over the past two days.

Among the dead was a prominent supporter of Mr Rajiv Gandhi, the Indian Prime Minister.

The attacks took place on the eve of campaigning for Punjab state elections on September 25 and are a clear signal that Sikh extremists intend to disrupt the poll.

Three gunmen killed Mr Arjun Dass, a member of the New Delhi metropolitan council for the ruling Congress (I) Party at his office in the capital.

Mr Dass's bodyguard was also killed and six people, including his younger brother, were wounded in the hail of bullets which raked the politician's office in south Delhi.

Mr Dass, 46, was killed five weeks after extremists shot dead Mr Lalit Maken a Congress (I) parliamentarian. Both men were on an extremist "hit list" for their part in the anti-Sikh riots in which 2,500 people died following Mrs Indira Gandhi's assassination.

Mr Gandhi rushed from his office to the hospital where Mr Dass was taken, to console the politician's family and several thousand people also gathered at the hospital to pay their respects to Mr Dass.

During Tuesday night's attacks in Punjab state, described by police as a co-ordinated offensive, extremists arrived at the homes and shops of victims on scooters.

The attacks were in districts such as Amritsar, Hoshiarpur, Gurdaspur and Jalandhar which are extremist strongholds.

The Press Trust of India said security officials were reviewing arrangements for the Punjab election, including a suggestion that candidates wear bullet-proof vests at all times.

The capital's police commissioner imposed a ban for the next seven days on gatherings of more than five people in New Delhi.

ANGLO PAY OFFER ERODED SUPPORT FOR STOPPAGE

Lessons of S.African miners strike

BY ANTHONY ROBINSON IN JOHANNESBURG

AS THE strike by South Africa's 550,000 black coal and gold miners fizzles out in the courts, both sides to the dispute will be holding post mortems.

For the black National Union of Mineworkers (NUM) the results have been mixed—an improved wage offer for 80 per cent of its membership but a stark illustration of its vulnerability in non-unionised mines.

The Chamber of Mines, the employers' organisation, may be heaving a sigh of relief that a major confrontation has been averted but it will not have any illusions about the prospects it faces in the years to come. Even tougher negotiations are likely from a union which has rapidly gathered strength and negotiating expertise in the three years since its inception.

The critical point in the dispute came when the leading mining house, Anglo American, made a renewed pay offer which by accident or design helped weaken the union's determination to resist the employers in a united war. With some 80 per cent of the NUM's 150,000 membership in Anglo mines, the offer, close to the union's original demands, eroded support for a national stoppage in the very mines where the NUM was at its strongest.

It always looked as though the NUM was in serious danger of over-reaching itself by threatening strike action against Gencor, Gold Fields of South Africa (GFSA) and Anglo-Vaal. These companies had baulked at matching the improvement on the final minimum wage offer agreed by three other mining houses last month.

Suspension of the black coal, and gold miners' strike on Tuesday night led to a large-scale, but confused, return to work at formerly strike-hit mines yesterday. Reports of attempted strike action at one shaft of the Hartebeestfontein mine owned by Anglovaal were denied by the company which said that it had dismissed 15 strikers after a warning but that both shifts had turned up for work normally yesterday.

Gold Fields of South Africa, which earlier had started processing the dismissal of around 5,000 strikers at its Deelkraal mine, reported that 90 per cent of workers turned up for the morning shift: this followed an announcement by the company that those workers who reported for their next normal shift would be re-instated. Both union and management complained of large-scale intimidation during the strike and many of the 700 miners who failed to turn up for work fled into the surrounding bush to escape from teargassing and fights between strikers and non-strikers.

Meanwhile, Gencor, which dismissed 130 strikers on Tuesday from its Marievale mine, continued processing the dismissal of a further 800 workers yesterday as the NUM sought an urgent court order to prevent the company evicting the dismissed workers.

Meanwhile, police reported that two national servicemen died when their armoured car crashed into another vehicle during a patrol through the black township of Grahamstown in the Eastern Cape.

If the union had been satisfied with securing higher than inflation pay rises for most of its members and of splitting the hitherto monolithic front of the employers organisation, it could have counted this year's annual negotiating round an unqualified success.

Instead it is now in the embarrassing position of having been forced to suspend strike action after only three days in the face of determined resistance by the mining houses who used their own guards to isolate union activists and moved quickly to implement their warning that strikers would be dismissed.

But there is little doubt that managements' determination to act forcibly against "intimidators" was based largely on their perception that there was little real stomach for a fight among the rank and file workers. They are mainly immigrants who, having received increases in basic pay ranging from 14 to 19 per cent, were reluctant to risk their jobs for the sake of another 2 or 3 per cent at most.

It was clear from the beginning that the strike would not work out as planned. Little more than normal absenteeism was noted at some of the seven mines targeted for strike action by the union. Anglovaal's Hartebeestfontein mine on the West Rand, the largest of the targeted mines, was virtually unaffected throughout the strike.

Those that were worst hit, GFSA's Deelkraal and Gencor's Beatrix, were not even on the list of targeted mines and the strikes there appeared to take management, and even the union by surprise. Estimates of the number of workers involved in strike action differ widely. But the Chamber of Mines estimate that no more than 14,000 workers out of a possible 62,000 were involved seems more accurate than the NUM's claim that at one stage 28,000 were involved. The total labour force at the affected mines is not as high as that.

Evidence that the strike had started badly and was losing momentum and that management had started to evict workers from hostels before bussing them back to distant homelands prompted Mr Cyril Ramaphosa, union general secretary, to rush to the industrial court in Pretoria on Tuesday seeking to prevent the eviction of workers.

The union is hoping that the industrial court will hand down a ruling which will provide legal guarantees against eviction and dismissal for workers who embark on strike action.

The legal issues involved are complex, but if the union secures such guarantess, it could significantly strengthen their hand in future disputes.

UK unions to debate S. Africa links, Page 7

Fresh violence in Sri Lanka

THE Sri Lanka Government imposed a 16-hour curfew on east Sri Lanka yesterday after eight soldiers were killed in fresh ethnic violence and several houses and shops were destroyed, Reuter reports from Colombo.

Official sources said the curfew was clamped on Trincomalee town because of "conflict between Tamil terrorists and Sinhalese villagers."

Jordan warned by Israel

By Walter Ellis in Tel Aviv

THE Israeli Cabinet is expected to renew its warning to Jordan to expel the operation command of the Palestine Liberation Organisation from its territory.

At a meeting yesterday of the inner Cabinet, Mr Ariel Sharon, the tough-talking Trade and Industry Minister, apparently persuaded his colleagues to take a strong line on the PLO in Jordan. King Hussein is likely to be reminded that Israel will strike at terrorists wherever they are found.

A leading government official stressed yesterday, however, that Israel was not seeking to threaten Jordan. It was simply a matter of reiterrating existing policy on an issue of common interest. The official said that Mr Sharon's hard-line views were consistently voted down when they went beyond stated government policy.

A return to the "iron fist" policies of past years on the Israel-occupied West Bank looks increasingly likely in the wake of the recent spate of attacks.

Yesterday, following the killing on Tuesday of an Israeli reservist in Hebron, the modern Jewish quarter in the town was sealed off and access from the quarter to the Arab Casba, or old town, was bricked up. Mr Sharon and other right-wing Likud members of the Cabinet would like to see parts of the Casba knocked down and he told colleagues yesterday that the detention of suspected terrorists was essential if peace on the West Bank was to be restored.

● Palestinian officials appealed to international organisation yesterday for action to protect their people under Israeli occupation in the West Bank and Gaza, Reuter writes from Amman.

Members of the executive committee of the PLO and the Palestine National Council (PNC) told a news conference that "oppressive measures" of the Israeli occupation authorities were aimed at driving Palestinians to despair.

Mr Nabil Amro, PLO information officer, said the situation was extremely grave and required the world's attention. "Israeli extremism has become very clear lately through the studied oppressive measures taken even against children who fly kites bearing Palestinian flags," he said.

Tunis urges workers to return home from Libya

BY ROGER MATTHEWS

TUNISIA IS to cut all trade links with Libya and is urging its remaining expatriate workers to return home. The decision marks a further and more serious deterioration in relations between the two countries sparked off by Col Muammar Gadaffi's earlier expulsion of Tunisian workers.

Mr Mohammed Mzali, the Tunisian Prime Minister, said yesterday that security forces had also seized quantities of explosives and arrested several Libyan nationals who had admitted to planning acts of sabotage.

Abouth 25,000 Tunisians are believed to have been expelled from Libya in the past few weeks. Another estimated 70,000 could be affected if they all heed the Prime Minister's call to return home.

The loss of workers' remittances from Libya is potentially a more damaging blow to the fragile Tunisian economy than the loss of trade which accounts for only about 5 per cent of its exports.

Col Gaddafi has also been angering the Egyptian authorities by similarly expelling some of their nationals. The patience of President Hosni Mubarak is understood to be wearing thin.

Libyan radio stations regularly broadcast propaganda calling for revolutions in both Tunisia and Egypt. In 1980 suspicion fell on Libya after an armed attack on the western Tunisian town of Gafsa with the government in Tunis accusing Col Gadaffi of arming and training Tunisian nationals.

In January last year Tunisia suffered a week of widespread rioting over attempts to increase the price of bread and other basic commodities. Nearly 100 people died before the army re-established control and President Bourguiba personaly intervened to cancel the price rises.

Libya has sought to explain its decision to expel foreign workers by emphasising the need for economic austerity.

Closed 'Green Line' cuts Beirut bread, fuel supply

BY NORA BOUSTANY IN BEIRUT

BREAD and fuel shortages accentuated a crisis between Christian and Moslem halves of the Lebanese capital and a powerful car bomb rocked the Christian central Lebanese town of Zahle yesterday causing casualties and fires.

A spate of kidnappings targeting residents crossing the "Green Line" dividing the city over the past two weeks led to a prolonged closure of all crossing points. Moslem and Druze militia groups have criticised the blockade, which was formally declared by the Lebanese army on Monday to prevent more abductions of civilians.

Christian groups have charged that as many as 40 Christians attempting to cross the mid-city demarcation line have been seized by gunmen and not yet returned. Among them are three senior Christian employees of the Lebanese Central Bank, including Mr Andre Chaib, the head of the bank's statistics department.

Lebanese banks are staging a one-day strike today to protest at the disappearance of Mr Chaib and his colleagues, who braved the greenline almost daily to keep the Central Bank's main departments in operation.

The Lebanese pound plummeted to a record low closing at 19.18 Lebanese pounds to the U.S. dollar amid mounting tension and intransigence over political reforms among key Christian and Moslem leaders. Syria is trying to bring the main warring factions together in a drive to initiate national dialogue for the second time in as many years.

The deliberate obstruction of crossing points linking East and West Beirut has resulted in the severest shortages since the Israeli invasion of 1982. The Lebanese Forces, an alliance of Christian militias, has accused the Shi'ite Amal militia for the closures and the abductions of some 30 Christians.

The explosion in Zahle set off huge fires in a vegetable market and initial reports said four people were killed and 40 wounded.

Mounting losses force rethink on farm credits

BY STEWART FLEMING IN WASHINGTON

A CRISIS meeting of the board of Farm Credit Administration, the supervisory *agency which* monitors the federal farm credit system, was under way yesterday in the face of mounting losses which officials say could force the system to turn to the federal government for a bail-out.

On Wall Street, where the farm credit system has financed itself through the public issue of some $70bn (£51bn) of bonds and notes, the price of the securities plunged in the face of reports that the FCA has reversed its recent stance and concluded that government financial support would probably be needed.

The mounting losses in the farm credit system as a result of the financial plight of thousands of farmers around the U.S. are expected to intensify political pressures in Congress where a major row is brewing over farm policy and the level of government *crop support programmes.* Already there are fears that the deepening U.S. farm crisis is threatening a traditional Republican stronghold.

Mr Ron Erickson, a spokesman for the farm credit system, confirmed yesterday that the board was meeting to consider alternative rescue schemes and that he expected a statement on its decision to be released later. The farm credit system was launched by the Government in the 1930s to provide land purchase and operating loans to farmers. Today it is a co-operative system with some $74bn of the total farm industry debt of around $210bn in its portfolio.

Mr Erickson said that until recently the FCA had thought that if the farm economy began to improve and the system made the most efficient use of its capital a financial bail-out would not be needed. Now, he said, the combination of bumper crops which will *lower* prices, and doubts about the ability of many farmers to repay this year's production loans, has led *to* a reassessment.

Mr Erickson said the options under discussion included the establishment of a new government *agency* to purchase the farm loans of lending institutions (including commercial banks), a government capital infusion into the system and changes in government financial support to farmers.

The Reagan Administration *has been pushing for a reform* of the Government's role in agriculture aimed at letting market forces work more freely. Evidence that the farm situation is still deteriorating and that the major group of farm lending institutions believes it is unable to cope with the deterioration in its loan portfolio promises to be another embarrassment for the White House and one which raises the prospect of another confrontation with Republicans in Congress.

USAF trainer jet in doubt

BY NANCY DUNNE IN WASHINGTON

THE Pentagon, in search of $30bn (£21.8bn) in cuts from its proposed fiscal 1986 budget, is reportedly considering the cancellation of a $3.5bn airforce training aircraft produced by Fairchild Republic.

If the Pentagon goes ahead with the cut, it will be the second major cancellation in recent days. Last week, Mr Caspar Weinberger, Defence Secretary, called a halt in the development of the army's big anti-aircraft gun, the Divad, because it "didn't work well enough" to justify adding $3bn to the $1.8bn already spent on the project.

Congressional sources say the Pentagon's decision on the trainer is not yet final. The cancellation is expected to run into opposition from Mr Joseph Addabbo, a New York Congressman and chairman of the House appropriations subcommittee on defence. The aircraft is manufactured in Fairchild Republic's plant on Long Island, New York, and a decision to cancel could mean the closure of the plant, according to a New York Times report.

The aircraft, the T-46A, is designed to replace the 30-year-old Cessna T-37 trainer. While the Pentagon badly wants to modernise its trainer aircraft, a June inspection by the airforce found "numerous management and production deficiencies" at Fairchild's plant and led to the suspension of $4m in progress payments to the company, the New York Times said.

Anti-Pinochet protest staged by unions

By Mary Helen Spooner in Santiago

CHILE'S National Labour Command, along with a handful of *small left wing groups,* began a two-day protest against Sr Augusto Pinochet's regime yesterday, despite a lack of support *from most* Chilean political parties and the expressed opposition of the country's powerful Roman Catholic Church.

Cardinal Juan Fresno met with National Labour Command leaders Tuesday, asking them to avoid actions which could provoke *outbreaks of violence.* Nevertheless, the atmosphere in many parts of Santiago was tense, with baricades erected in *poor and working class* sections of the capital, where authorities despatched army troops to keep order. Police reported that at least *six bombs* exploded in the capital

The Pinochet regime on Tuesday issued a communique referring to the "*national accord for* a transition to democracy" signed by 21 political leaders and distributed by the Santiago Archdiocese *last* week. *The* accord demanded an immediate end to the state of emergency, direct presidential and parlia*mentary elections* and in investigation into human rights abuses.

Bolivia hit by strike over austerity cuts

BOLIVIA WAS virtually *paralysed yesterday by* a 48-hour strike called by labour unions in protest at harsh economic measures announced *last week by the month-old* Conservative government of President Victor Paz Estenssoro, AP reports from Bolivia.

The Government ordered police and armed forces on alert and warned that it will not permit disorderly acts or roadblocks.

The strike, called by the Bolivian union federation has hit mines, industries, many businesses, public transportation, gasoline sales, government offices and the central bank.

The federation which represents every major labour group in the country, instructed members to organise marches and threatened an indefinite general strike

The Government last Thursday floated the peso, effectively devaluing it by 95 per cent, froze salaries until December, reorganised state companies, raised gasoline prices tenfold, authorised the dismissal of workers at state and private companies and removed price supports on food.

Guatemala faces crisis after widespread riots

BY ANSON NG IN GUATEMALA CITY

THE military-backed Government in Guatemala is weighing its options in the wake of *serious civil unrest* that culminated on Tuesday with violent demonstrations at Guatemala City's San Carlos University and *over 500 arrests.* Foreign diplomats believe the Government of Gen Oscar Umberto Mejia Victores will either impose a state *of emergency or be obliged* to rescind unpopular bus fare increases.

With presidential elections due on November 3, *moderate* politicians are urging the Government to reject the idea of a state of emergency which would seriously curtail political freedoms. Instead, Gen Mejia is being asked to consider a temporary subsidy to transport fares and to persuade the powerful private sector and trades unions to adopt a consensus approach to solving Guatemala's economic problems.

The protests over a 50 per cent rise in transport fares reflect growing *disillusion* with the Government's efforts to implement an austerity plan. In July the price of some 20 basic products was pegged, but retailers have continued to mark up prices and inflation is now running at over 60 per cent. Inflation is being fanned by the fall of the quetzel against the dollar. Dollar transactions outside the banking system were banned last month but the Bank of Guatemala has been obliged to purchase dollars in the parallel market to pay for vital oil imports.

Led initially by secondary school students, the demonstra*tions against* the increase in bus fares began peacefully last Monday but later turned into chaos

The Government is facing a severe *cash shortage* both in domestic revenue and foreign exchange. The biggest squeeze comes from $476m required to service Guatemala's *$2.25bn* foreign debt, equivalent to 36 per cent of export earnings.

Sarney's new team ponders its two-step with IMF

Mass resignations which last week rocked the five-month-old Sarney Government in Brazil may eventually lead to a break with the IMF. But, writes Andrew Whitley, the new economic team has been quick to reassure creditors that its debt commitments still stand.

THREE YEARS after "Black September," when foreign bank lending to Brazil abruptly dried up, forcing the military-led Government to turn in desperation to the International Monetary Fund for help, its civilian successor could be steeling itself to sending the IMF packing.

Such a step for Brazil, with its $103bn foreign debt, would end at a strike the minuet it *has been forced to dance* with its creditors since 1982. It would also be one of the most momentus developments to date in the international debt crisis.

A clear-cut decision is unlikely to crystallise within the Government of President Jose Sarney until nearer Christmas, after what will probably turn out to be several more rounds of fruitles negotiations with the IMF. But the earthquake which hit the five-month-old Government last week has brought the chances of such a move a great deal closer.

Tiring of their progressive loss of influence in a government which has clearly indentified itself with growth and social spending rather than outright public austerity, the two most prominent defenders of a quick accord with the IMF and creditor banks, Sr Francisco Dornelles the Finance Minister and Sr Antonio Carlos *Lemgruber — his* central bank governor — abruptly resigned.

Almost the entire, top-level cadre of orthodox, economically *conservative officials* in the two departments went with them, as well as other personal associates in key posts such as Cacex, the foreign trade agency.

President Sarney quickly appointed to the two top posts Sr Dilson Funaro as Finance Minister and Sr Fernao Bracher, as central bank chief — two pragmatists from the private sector with nationalistic views.

The industrialist Sr Mathias Machline, one of the President's closest friends, said, exulting in the change: "We have left the *monetarist school and are enter*ing the school of practical life — the business world."

There is no question for the moment of Brazil breaking with the IMF. Even before he had formally taken office, Sr Funaro was calling Washington and New York to reassure everyone that the commitments Brazil had entered into with the bank advisory committee a few days earlier still stood.

What concerns the reshuffled Brazilian economic team most is that the 140-day *standstill* on debt principal payments and the parallel freeze on $16bn in short term credit lines extended to Brazil and agreed last month have still to be "sold" to the other creditors worldwide.

It will be the fourth rollover Brazil has had to request since its last formal rescheduling agreement expired at the end of 1984. While the risk of widespread revolt among medium-sized and smaller creditors is higher than ever, this is clearly no time for Brazil to take risks with the highly-vulnerable bank lines.

What holds back most of the potential drop-outs from any untoward action are the simple facts that Brazil is right up to date with bank interest payments and has an easily demonstrated capability to keep on generating trade surpluses adequate to service its debt — at least for the next two to three years. Besides, Brazil still *looks a much better bet than* many other Third World debtors.

It is the trade surplus, likely to be about $12bn this year, and the steadily growing foreign exchange reserves, which has led the "rejectionists" *among Brazilian* officials to a seductive, and apparently simple, conclusion. If the country does not need new money from the banks and if it can do without the IMF's proposed standby loan, why make the economy jump through hoops just to please the foreign creditors?

Funaro: a pragmatist

Venezuela is held up as an example of a country which has successfully resisted the embrace of an IMF austerity agreement and kept its bank creditors at bay throughout the debt crisis.

Growth in Brazil is moving along nicely this year. It may hit 6 per cent of gross domestic product, the best result this decade. Oil price and interest rate trends are also moving in Brazil's favour, as is the decline of the dollar.

The crunch is that there are politically crucial national elections coming up next year which will inevitably put heavy pressure on government spending.

At such a time the IMF is asking Brazil to make an impossibly large adjustment effort on its public sector expenditure, according to Sr Luis Paulo Rosenberg, the presidential economic adviser and debt co-ordinator who will probably head the mission to Washington.

From a likely end 1985 operational deficit on public expenditure equivalent to 1 per cent, or possibly more, of GDP, the IMF is said to be asking Brazil to attain a 5 per cent surplus by December 1986. That is equivalent to taking $13bn out of the productive economy in only 12 months, an amount more than the entire visible trade surplus.

Government hardliners on the bank debt are pressing for a string of "escape clauses" to be attached to the previous understanding that no compulsory loans would be raised for Brazil by the banks during the life of any multi-year rescheduling agreement (or Myra as it is known in the trade).

After the departure of Sr Dornelles and Sr Lemgruber, there is even less likelihood of Brazil accepting other disputed aspects of the proposed 16-year rescheduling agreement points such as the controversial re-lending clause and the banks' idea that the IMF should monitor the Brazilian economy until the year 2001.

In a complete about face from six months ago, the question is being asked within the Government: why do we need a Myra at all? Instead, Brazil *could* reach a temporary, holding agreement with the banks covering debt repayments falling due just in 1986 *or possibly the next two years.*

The rejectionist mood has spread like a canker through the economic ministries and *halls of the Presidential palace* in Brasilia for some months, steadily gaining ground.

How the new appointees will respond is too early to say. On first indications, however, their public commitment to the Sarney line on the pre-eminent importance of economic growth and social justice suggests they may also be caught up in the mood.

Sr Funaro is very close to the President and is identified with the important Sao Paulo faction of the ruling Brazilian Democratic Movement Party, with its nationalistic, left-wing and anti-IMF tendencies.

Last week's ructions in the Sarney Cabinet led to a significant shift in its political balance, from being vaguely centrist to a clearer centre-left position. It is also firmly established the ascendancy of the Sao Paulo politicians and economists in an alliance with a President *they feel* is moving their way. The omens for the IMF are not good.

WORLD TRADE NEWS

Elation and dismay greet Singapore's latest move on copyright pirates

A RECENT Singapore police raid on a shop selling pirated music cassette tapes turned up an intriguing find: a compilation album which included songs by a Singaporean pop music group, Tokyo Square.

In the world's biggest music piracy centre, local artistes and producers are now starting to suffer the fate of their better-known Western counterparts.

Apple Computer, a few days before this, had won a permanent High Court injunction forbidding 15 local companies from dealing in fake software. Apple had previously won two cases against retailers of counterfeit computer products, but the latest action on pirated software was a breakthrough.

Both developments occurred around the time of a visit by a high-powered U.S. Government technical delegation specialising in intellectual property. The team, which included experts from the Library of Congress's Copyright Office and from the Patent and Trademark Office, pored over a draft copy of Singapore's proposed new Copyright Law—a bulky document long-awaited by foreign publishers, producers, performers and authors, not to mention computer companies.

These interests all see Singapore as a pirate's haven. The island state exports tens of millions of illicit pre-recorded cassette tapes annually, sells copies of widely-used computer software at a fraction of normal retail costs and reproduces bound photocopies of expensive textbooks at student-budget prices. The draft law is Singapore's most significant response yet to the international pressure for change.

From what both Singapore officials and interested outside parties are saying, a mixture of elation and dismay seems likely to greet this latest step forward, reflecting what is plainly a delicate balance of domestic and international forces on a sensitive issue.

The elation is over the sheer quality of the proposed legislation. Based almost exclusively on Australia's copyright law—"pirated," remarks one observer wryly—it is the most up-to-date in the world, taking into account modern developments in the computer electronics field.

If the legislation is passed in its existing form, it is reckoned that publishers and producers abroad ought to feel satisfied.

The "if," however, points to one reason for probable dismay. The draft legislation must go to Government ministries for comment, and it is unlikely to survive unscathed.

After revision and submission to Parliament, it is still likely to be the subject of exhaustive public hearings, to give the public—meaning pirates and consumers—a chance to modify it further.

This in turn underscores a second reason for dismay. The modified Bill, it seems, is unlikely to become law for up to 18 months, perhaps even longer given the infrequency of parliamentary sittings. The collapse in Singapore's legendary growth rate this year—it expects zero or negative growth for the first time since independence—will not help.

There are other problems. The draft law appears to be weak, for example, in relation to penalties. Although it is understood to increase existing penalties five-fold, some believe this is not enough to combat the export of pirate cassettes by the container-load.

The idea of dealing with piracy as a civil instead of a criminal offence, punished with fines and confiscations rather than jail terms, will keep Singapore out of line with the practice in other countries, a somewhat contradictory position having opted to go this far.

The draft law is also believed to provide both for accession to international conventions (without spelling out which) and for bilateral arrangements with other countries. The latter, however, would probably by unnecessary if Singapore simply acceded to the Universal Copyright Convention.

A separate question is whether Singapore might now be hedging the passage of legislation with requests for special action by the interests abroad pressing for change.

Chris Sherwell looks at the way in which Singapore intends to tackle intellectual piracy through a new draft law.

For example, a statement issued after the consultations with the U.S. technical team declared: "The Singapore side expressed the view that the issue of intellectual property rights infringement should be looked at in its totality, and suggested that business enterprises in both countries co-operate and try to arrive at a mutually acceptable arrangement to produce tapes and books at prices within the reach of the general public."

A Singapore official has pointed out even more specifically in relation to the pirate music business that any solution "needs to take into account the interests of the recording industry in Singapore and of Singapore consumers." He suggests that licensing arrangements be offered by international companies abroad.

This is unlikely to be acceptable to the industries concerned, and is clearly more of a policy and economic question rather than a technical, legal one related directly to the draft law.

It is difficult to see how such proposed arrangements would be made contingent on legislation being passed. The International Federation of Phonogram and Videogram Producers (IFPI), which defends the rights of producers of sound and video recordings, was quick to knock on the head any hints that the Singapore pirates somehow be "legitimised."

The IFPI said the whole music industry, including composers and performers, could benefit from a new copyright law. It pointed out that its objective was to reverse the retrenchment caused by international record companies leaving pirate-infested Singapore.

The Federation added that by stimulating competition, a new law would also benefit the consumer, who would have better quality products and a wider choice of material.

The IFPI has received Singapore's help in making raids on pirate retailers, but it finds the process under the present antiquated law fraught with technical difficulties. Just as painstakingly, a group of British book publishers earlier this year secured a landmark decision from the Singapore High Court, which ruled in their favour aaginst a local seller of pirated textbooks.

The focus of their activity, the Copyright Act, was passed in Britain in 1911 and proclaimed a year later in Singapore, then a British possession. Singapore, in belatedly considering an update of this law, appears to be going one step further and opting for a wholesale change. This is plainly welcome.

The unanswered question in the face of this genuine progress, however, is whether Singapore is still playing for time. The island state wants to create what it calls a "brain services centre" for the region, and above all a computer literate society as quickly as possible.

Textbooks and software will have to be made easily available to its students. But as the pop group Tokyo Square has discovered with its pirated music, there comes a point when this approach is self-defeating.

No one doubts that legislation could be enacted virtually overnight if that is the will of Singapore's powerful leadership. But it looks as though things will take somewhat longer.

Warning on Hungary currency earnings

BY LESLIE COLITT IN BERLIN

HUNGARY'S plummeting hard-currency earnings in the first half of this year suggests that the favourable trend in convertible currency trade "has come to an end," according to the Hungarian Chamber of Commerce.

A longer-term sharp reduction in Hungary's hard-currency earnings would affect the country's ability to repay its debts which have been steadily reduced in recent years and stood at \$4.5bn (£3.2bn) last December.

The Chamber noted that as a result of structural limitations, the Hungarian economy was unable to fully exploit the opportunities offered by the present boom in world trade. In addition, it said falling dollar prices for food and some other exports contributed to the drop in earnings.

The Chamber noted in a recent information bulletin that Hungary had a "considerable passive balance" in the first half of this year compared with a trade surplus of nearly \$300m in the same period last year. Hungary had planned on a \$700m surplus this year after earnings \$600m in 1984.

The Chamber said the major present worry was that industrial output would fail to meet the targets set in the plan and that products which can be sold for hard currency will be in short supply.

Hard currency imports rose 5 per cent in the first half year, much faster than planned, while exports declined by nearly 2 per cent. More than \$170m was spent on additional oil, natural gas and coal imports as a result of the bitter cold last winter.

Swedes hit at U.S. trend to protection

By David Brown in Stockholm

THE GOVERNMENT in Stockholm has issued a strong condemnation of growing protectionist trends in the U.S., and has sharply attacked a recent U.S. Commerce Department decision to impose a new counterveiling duty on certain Swedish steel products.

Criticising the influence of Washington lobbyists in Congress, Mr Mats Hellström, Swedish Trade Minister, said a "boiling cauldron" of protectionist legislation had drawn America's commitment to free trade into serious question.

Leading officials from the 75 per cent state-owned SSAB steel group recently returned from Washington where they testified before the International Trade Commission in a last-ditch attempt to stave off the new 8.77 per cent duty before a final judgment on September 25.

The duty, expected to affect SSAB's sales of mainly thin and heavy plate worth SKr 500m (£43m) or half its total turnover in the U.S., has been used for "purely protectionist purposes," Mr Helström suggested.

Officials from SSAB said the duty would make it impossible to remain competitive on the U.S. market, particularly in light of the falling dollar rate.

The duty was decided following an allegation by U.S. Steel and Bethlehem Steel that financial support received by SSAB from the Swedish Government during its restructuring—which ended in 1981—has given it an unfair competitive advantage on the U.S. market.

"The restructuring of the Swedish steel industry was in full accordance with OECD and GATT norms," said Mr Helström, referring to a total SKr 6bn in capital injections and loans received from the Government during the restructuring period.

The group is now highly profitable and cites balanced capacity, modern facilities, and low raw material and labour costs as among the reasons for its competitiveness.

Pressures on Third World 'distorting trade'

BY ANATOLE KALETSKY

THE PRESSURES on many Third World debtor-countries to generate large trade surpluses are exacerbating protectionism, distorting the structure of international trade and frustrating hopes of economic development in the Third World.

As a result of these adverse trends, the present approach to the international debt problem will eventually become unsustainable.

However, there is little hope of an improvement in Third World debt prospects unless the industrialised countries realign their macroeconomic policies to achieve lower interest rates and faster, more balanced economic growth.

These are the main conclusions of the annual Trade and Development Report published today by the United Nations Conference on Trade and Development (Unctad).

Unctad's Geneva-based Secretariat calculates that resource transfers from developing countries to their bank creditors will grow from \$22.5bn (£16bn) this year to \$40bn by 1995.

The "unprecedented" trade surpluses required to finance these transfers are a major cause of inflationary pressure in the developing countries and of steady growth of protectionist barriers.

Unctad calculates that one-third of the developing countries' total exports and 65 per cent of their key manufacturing exports are now subject to tariff or non-tariff measures.

Unctad projects that, on current trends, economic growth in the developing countries will average 3½ per cent a year between 1985 and 1995.

This growth rate is 1½ percentage points below the projections recently published by the World Bank and the IMF. It would leave GNP per capita in the major debtor countries lower in 1990 than in 1980.

Unctad's figures are gloomier than the other international institutions, largely because it assumes a growth rate of only 2.8 per cent in the industrialised against the IMF's 3.1 per cent and a real interest rate of around 6 per cent, compared with the IMF's 3.9 per cent.

Alternative scenarios presented in the report suggest that larger financial flows alone would offer little hope to the debtor countries.

To achieve 4½ per cent growth within the global macroeconomic environment assumed by Unctad, debts would have to grow at a rate of 9 per cent a year from 1985 to 1990 and 16 per cent from 1990 to 1995.

In its "optimistic scenario," on the other hand, Unctad postulates an acceleration in the industrialised countries' growth rate to around 3½ per cent a year, accompanied by a decline of 3.5 percentage points in interest rates, a doubling of overseas development aid and a small improvement in the developing countries' share of world trade.

This would be sufficient to allow all groups of developing countries, including the poorest, to grow by 6 per cent in the 1990s, while simultaneously improving their debt positions.

Such an improvement in macroeconomic conditions could be achieved, according to Nnctad, by a "major relaxation" of U.S. monetary policy, accompanied by a realignment of fiscal policies between the U.S. and other industrialised countries.

To maximise the impact on the debt problem and development generally, these changes would have to be co-ordinated with economic reforms within developing countries and improvements in the international trading system, the report says.

Japan in Indonesia engine talks

BY CARLA RAPOPORT IN TOKYO

SEVEN JAPANESE car makers are discussing plans for a joint venture with state-owned and private Indonesian companies to build a \$115m (£82m) casting plant for car engine production.

Mitsubishi Motors, one of the seven Japanese carmakers involved, confirmed yesterday that it has been discussing the joint venture but said it was not "in a position to talk about it yet."

It is understood, however, that the six other carmakers involved are Toyota, Daihatsu, Suzuki, Isuzu, Hino Motors and Mazda.

The Japanese partners are expected to put up 60 per cent of the starting capital, with the remaining 40 per cent contributed by the Indonesian companies.

The plant is expected to have an output of 27,000 tons of cast iron a year and, if the deal is completed this year, should start production early in the next decade.

Kieran Cooke adds: The plant is part of Indonesia's programme for complete vehicle manufacture within the country. Indonesia, with a population of more than 160m, is by far the biggest market for Japan's cars in South-East Asia. However, over the past 18 months, the market has been in a deep slump and last year, Indonesia's car assemblers produced only 153,670 units.

● Mr Bill Reed, managing director of Semiconductor Equipment and Materials Institute (Semi), an international trade association, said his organisation does not agree with the U.S. Semiconductor Industries Association on its recent trade complaint to the U.S. Government against Japanese semiconductor makers. Semi members, he said, will continue actively to sell equipment to Japanese makers who want to build more semiconductor plants.

Jakarta to widen export credit

INDONESIA'S Central Bank is to extend export credit which has been available to domestic companies to foreign joint venture companies, Reuter reports from Jakarta.

Mr Arifin Siregar the central bank governor, said the credit would boost exports by joint ventures, which accounted for 20 per cent of Indonesia's \$5.8bn (£4.1bn) exports, excluding oil, gas and tin last year.

Bank Indonesia's export credits are extended through state, private and foreign banks at a subsidised interest rate of 9 per cent a year. The central bank governor said the bank would soon issue a ruling extending the facility to joint ventures.

Joint ventures would have to provide at least 30 per cent of the funds to finance exports compared with 15 per cent for national companies, he added.

The new ruling will also allow foreign banks in Indonesia, which can only operate in Jakarta, to extend export cedits to companies operating outside the capital.

Bank Indonesia is also to extend the four-month period of liquidity credits available to state, national and foreign banks to facilitate the export credit scheme.

Dutch impose conditions on Polish credits

By Christopher Bobinski in Warsaw

POLAND'S request for new Dutch-backed trade credits can only be considered in the light of Warsaw's performance this year in making payments arising from the recent rescheduling agreement with western governments.

This message to Polish officials has come from Mr Fritz Bolkestein, the Dutch Foreign Trade Minister, who left Warsaw yesterday after a two-day visit. The visit, the most senior by a Dutch official to Poland since the martial law clampdown in 1981, came shortly after the Austrian Government had pledged \$40m (£28m) worth of credits to Poland.

The Austrian promise followed the signing of an agreement in the Paris Club in mid-July rescheduling \$12bn-worth of debt payments which fell due to 17 Western governments between 1982 and 1984.

Poland had been hoping that fresh Western credits would help fulfil the terms of the Paris Club agreement, especially on this year's payments and the Dutch stance is likely to prove a disappointment.

UK NEWS

Thatcher makes further reshuffle of ministers

BY JOHN HUNT

MR CHRISTOPHER PATTEN, who has been closely associated with the talks between the British and Irish governments over the future of Northern Ireland, has been moved from the Northern Ireland Office in Mrs Margaret Thatcher's reshuffle of junior ministers announced last night.

Mr Douglas Hurd, who as Northern Ireland Secretary initiated the talks, was moved to the Home Office in the main Cabinet reshuffle on Monday.

In last night's changes, Mr Patten, a leading Tory "wet" (on the left of the party) leaves his job as Under Secretary for Northern Ireland to become Minister of State at the Department of Education and Science, and second to Sir Keith Joseph.

This is a move to strengthen the beleaguered Department of Education, where Sir Keith has been under intense pressure during the drawn out teachers' dispute.

The appointment of 41-year-old Mr Patten, a former company director who is a first-rate debater in the House of Commons, is a clear sign that the Prime Minister wishes to give education a new impetus in the run-up to the next general election.

The department has been without a minister of state since the departure of Baroness Young in 1981.

The Northern Ireland moves mean that both the leading figures associated with the controversial talks with the Dublin Government have now been switched. This will be a further disappointment to Irish ministers who are eager to pursue the discussions.

Mr Patten, who moved to the Northern Ireland Office after the 1983 general election, is being replaced by another Tory "wet" from the backbenches, Mr Richard Needham.

It is significant that Mrs Thatcher has seen fit to retain one "wet", Mr Patten, in an influential post while promoting another, Mr Needham, who has been involved in several rebellions against government policy in the voting lobbies. Following the promotion of Mr Kenneth Baker to Environment Secretary earlier this week, it indicates that the Prime Minister is at least making a gesture towards having a broader spectrum of opinion in her Government.

Mr Needham's promotion was also taken as a sign that, despite the switches in the Northern Ireland Office, the Government still wants to keep the talks open with Dublin. Mr Needham, 43, is an Irish peer, the sixth Earl of Kilmorey, with family connections in the republic.

There is also a promotion and a new appointment at the Foreign Office to fill the gap left by Mr Richard Luce, who has become the new Minister for the Arts.

Mr Timothy Renton, aged 53, moves up from Parliamentary Under Secretary, to Minister of State, where he is likely to take over Mr Luce's brief of Hong Kong and the Far East.

Oftel examines BT price rise

BY JASON CRISP

THE OFFICE of Telecommunications (Oftel) has warned it may try to modify British Telecom's licence if it has abused its monopoly position by increasing the price of private leased telephone circuits too much.

Oftel, the regulatory body set up to ensure fair competition after BT was privatised, announced yesterday it had started a full investigation into private leased circuits following a 12 per cent price increase on September 1.

The investigation may have important implications for companies which want to provide new communications services using BT's private circuits.

The price of private circuits will be particularly critical if the Government permits companies to offer a general telephone service by reselling capacity on circuits provided either by BT or Mercury, its only network competitor. (The Government said in BT's prospectus last year that straightforward resale would not be permitted before 1989).

Oftel tried to start an investigation into private circuits in February after it received complaints about price increases for "access lines" – a particular type of private circuit. At the time it was thwarted by BT, which successfully argued that private circuit prices had not risen since Oftel was formed. This week's price increases from BT have given Oftel the power to make a full investigation into the area.

Professor Bryan Carsberg, director general of Oftel, said yesterday: "BT's licence does not contain any specific provisions relating to the pricing of access lines and leased lines. I have a general duty to satisfy myself that BT is providing good services to consumers, as regards price, quality and variety and, in that context, to ensure that it is not *abusing its monopoly power*."

Oftel's initial investigations into access lines appear to show that BT *is* not making excessive profits from its private circuit business. Prof Carsberg says he has already received information from BT about profits from private leased lines.

BT last put up prices of its most commonly used private circuits in *April 1983 when they rose sharply*. BT points out that the latest 12 per cent increase is fractionally below the rate of inflation since then. However, its special digital circuits went up by about 10 per cent just over a year ago.

Telecom investors confront chairman

BY ARTHUR SMITH

SIR GEORGE JEFFERSON, 64-year-old chairman of British Telecom, acknowledged that the first annual meeting of his newly privatised company yesterday might be "a unique and historic day."

But there are few private-sector chairmen who, after promising shareholders "another operationally and financially successful year," would come under attack for the size and morality of their own rise – in Sir George's case by 32 per cent to £111,000.

Sir George, a diminutive figure against the showbiz background of the arena at Birmingham's National Exhibition Centre, was paid a backhanded compliment by one of the small shareholders in the British company that boasts the most small shareholders: "We do have a British chairman and not an import from America." But Sir George might look longingly back to the security of running a nationalised industry.

When he pointed out, after more than two hours of questioning from shareholders, that that was the normal period for an annual meeting, *he was subjected to nearly 15 minutes* of points of order and entreaties from a woman shareholder that the meeting should not be closed. Throughout, he was imperturbable.

BT, at pains to point out that this was merely a normal annual meeting – albeit the biggest yet held in Britain, with about 4,000 present – staged something of a technological breakthrough.

Shareholders, like the chairman, saw their images thrown up on giant cinema screens as they posed questions. Sir George might have been through four days of rehearsals, guided by top public-relations professionals, but he needed all his wits.

Mr Alan Neate, a 73-year-old with 1,600 shares, was complimentary about the corporation's engineering. But he asked why payments to *the board had climbed since privatisation* from £489,000 to £803,000. At a time when redundancies and pay restraints were the order of the day, he told the board: "You are, in my opinion, a miserable lot."

A diffident Sir George pointed out that his salary was fixed by his non-executive directors. He could have refused the increase, but there did come a time when it was important to get the salary right at the top of an organisation to ensure the rewards were available to those below.

Support by Bank to Pretoria ruled out

By Our Political Staff

MRS MARGARET THATCHER, said last night that there was no question of the Bank of England giving financial support, directly or indirectly to the South African Government in present circumstances.

In a letter to Mr Neil Kinnock, the Labour leader, she said there was no need for the Government to give special directions to the Bank on the matter.

"The Government remains utterly opposed to the system of apartheid in South Africa and has said so repeatedly," said the Prime Minister.

Her statement is a rebuff for Dr Gerhard de Kock, Governor of the South African Reserve Bank, who has held talks at the Bank of England in the last days before going on to the U.S.

Dr de Kock has been visiting Europe to pursue a plan to win assistance for South Africa to tide it over its economic difficulties. These include seeking emergency short-term borrowing from central banks and persuading the banks to urge their clearing banks to renew credit lines.

Philip Stephens adds: in his talks with the Bank of England, Dr de Kock did not ask for any direct assistance.

The Bank's view is that its role is not to bail out South Africa, but to minimise the impact of Johannes*burg's debt moratorium*

David Thomas examines new evidence on TUC members' investments

S. Africa shares held by 7 unions

SEVEN major unions were reported yesterday to hold shares in companies which have South African interests. News of the investments, given on the eve of today's debate on South Africa at Blackpool, prompted pledges of immediate action from two union leaders.

Mr Rodney Bickerstaffe, general secretary of the National Union of Public Employees (NUPE), said: "It is NUPE's clear policy not to invest in South Africa and our investment managers have been instructed accordingly.

"If there is information that we hold shares in companies active in South Africa, I will act immediately on this."

A similar pledge was given by Mr Fred Binks, treasurer of the Union of Communications Workers (UCW).

The list of unions with holdings includes the National Union of Seamen. It was drawn up from returns supplied by the Certification Officer – the Government-appointed offical to whom unions submit annual accounts.

In most cases the value of the equities held by the unions is low in absolute terms but high in relation to their total assets. Calls will almost certainly be made in today's debate *for British companies to* cease putting money into South Africa.

Several unions are reported to hold shares in BTR, which the TUC claims has been offering black workers in its South African subsidiary pay rates below those recommended by the European Commission.

Trade unions are one of the few groups with clout opposed to British investment in South Africa.

In the short term, disengagement would probably damage the economic interests of many British trade unionists. Despite this, unions have been active on four fronts against apartheid:

● Unions have relatively few assets. So the question of their own investments is of little practical significance, though clearly of some symbolic importance.

Most unions hold no equities, preferring to keep their money in government stock. The clerical union, Apex, recently sold all its shares in companies with interests in South Africa. The Anti-Apartheid Movement believes this was the last of its union affiliates (all the major unions except the electricians) with such shares.

However, the latest returns show this is not the case.

The table is based on work by the Ethical Investment Research and Information Service, a church-based group which holds information on computer on the South African interests of most major British companies.

Both the UCW and the seamen's union have taken part in boycott action against South Africa. It was suggested yesterday that the fact that they have holdings in some British companies reflected a failure by investment managers to carry out instructions.

● A potentially more powerful, though more complex, instrument for unions is their member trustees on the boards of pension funds.

The TUC has advised union trustees to avoid direct investment in South Africa or in British companies whose subsidiaries fail to observe the European Commission's code of conduct for the treatment of black workers. The response so far, however, seems to be patchy.

Mr Tom Schuller will soon publish a book reporting on a survey of 250 pension fund trustees. He found South African investments have been queried in only a handful of cases.

An exception is the giant Post Office-British Telecom fund. Mr Ken Thomas, a union trustee of the fund, says because of pressure from the union trustees, the fund has no direct investments in South Africa.

One consideration which has deterred union trustees is their legal duty to maximise returns on investment.

● Supporting South African unions is a more traditional activity for British unions. The TUC has an official working full-time on this in its international department. Besides training black trade union officials, the TUC alerts British unions to disputes in South African subsidiaries of British companies. Most British unions have a good record in taking up such cases. The TUC points to the settlement of a strike in ICI's South African associate in July as a successful example.

● Finally, there is direct union action. Relatively rare in Britain, it includes one of the most spectacular cases of union protest against South Africa – the blacking of mail by the UCW in the 1970s, a move which landed the union in court.

UK COMPANIES and their associates employ more than 350,000 people in South Africa – *7 per cent of total employees* – the Labour Research Department says in its monthly report published today. The report identifies 66 British companies employing at least 500 workers in South Africa, with the top 10 companies employing a total of 99,000.

UK-owned investment, says Labour Research, totals £5bn but in each of the five years from 1978 to 1982 (the last year for which figures are available) net funds have flowed out of South Africa – the only major area of UK investment where this has happened.

"There are some signs that in British boardrooms the political risks of investment in South Africa are increasingly judged to outweigh the economic gains, and British companies are reducing their involvement," says the report.

Metal Box had sold its controlling interest in Metal Box South Africa to Barlow Rand, one of South Africa's biggest companies. Associated British Foods had cut its South African stake, and British Electric Traction had reduced its holdings in United Passenger Transport Holdings. Most recently, Barclays and Standard Chartered banks had seen their interest diluted.

European DBS plan launched by Granada TV

BY RAYMOND SNODDY

GRANADA Television is starting to explore the possibility of trying to create an international direct broadcasting by satellite (DBS) operation to cover most of Western Europe.

Mr Andrew Quinn, a director of Granada Television, will have informal talks with officials from the European Space Agency next week to see whether such a project might be viable for the end of the decade.

Granada believes a single-satellite system delivering as many as 10 channels to the key markets of the UK, France and West Germany might be an attractive commercial proposition.

Mr Quinn was co-ordinator of the "21-Club" – the BBC/ITV non-broadcasting grouping which decided in June against going ahead with a purely British DBS venture.

Mr Quinn now believes only a pan-European consumer market will be large enough to cope with the huge fixed costs of putting up high-power satellites.

The aim would be to deliver extra programmes to receiving dishes as small as 0.45m on individual homes.

Mr Quinn plans to have talks with the Department of Trade and Industry to try to get the necessary political backing for a multi national approach to satellite broadcasting.

On Tuesday the Independent Broadcasting Authority (IBA) asked for approaches from organisations interested in mounting one or more channels of British DBS.

Granada believes the 1977 decision to give each country in Europe five DBS channels for single-nation DBS projects now looks to be mistaken.

One possibility would be for an organisation such as the European Space Agency, perhaps backed by national telecom administrations, to launch and operate multi-channel DBS satellites.

Programme providers from all over Western Europe could, as "publishers," lease individual channels on a commercial basis.

The Granada suggestion is one of a number being considered in the wake of the collapse of the British DBS venture.

The ITV companies, for instance, are talking to the BBC about the possibility of jointly operating a "best-of-British" cable "superchannel" to be carried on an existing telecommunications satellite to cable television operators in Europe.

The ITV companies are due to take a decision on whether or not to go ahead with the superchannel next month.

● Thames Television, the largest ITV company, made a pre-tax loss of £4.8m on its main British television operations last year, Mr Hugh Dundas, the Thames chairman, said yesterday.

In his annual report for the year ending March 31 Mr Dundas said Thames profits of £8.7m were entirely dependent on a £13.6m contribution from international programme sales.

"Employees and shareholders alike must regard that situation with concern," Mr Dundas said.

Jobs for graduates on the increase

By Robin Pauley

BRITAIN is one of the few countries in which employment prospects for graduates and highly qualified professionals are improving, according to an analysis by the International Labour Office in Geneva.

In the U.S. more than half of new doctors of philosophy cannot find the type of employment for which they were trained and unemployment among chemists and chemical engineers reached its highest level for a decade in 1983.

In West Germany the number of jobless graduates has quadrupled to 115,000 during the past four years, with teachers, engineers, natural scientists, lawyers and economists being particularly badly affected. In France nearly 60,000 managerial and supervisory staff were on the unemployment lists by 1984 and in Switzerland graduate unemployment has moved from 2 per cent to 5 per cent in the past few years, outpacing the increase in the overall unemployment rate.

But in Britain the number of job vacancies for graduates has increased in the banking, insurance, engineering and computer sectors, with the result that a higher proportion of graduates found work in 1983 than in 1982, against the international trend.

The ILO found that throughout the industrialised world women graduates faced more difficulties than men in finding and keeping professional jobs, indicating that the bias against women continued to operate strongly.

John Hunt looks at the issue of divulging privileged information from parliament

Press and MPs face penalties for 'leaks'

TOUGHER PENALTIES for journalists and MPs who break the rules of parliamentary privilege by leaking important information from select committees are proposed in a report published yesterday.

The premature disclosure of reports in the process of being drawn up by house of Commons watchdog committees has long been a source of friction between journalists and the parliamentary establishment.

Now the House of Commons committee of privileges, which investigates complaints of such breaches, has proposed that any editor or journalist working for an organisation found guilty of publishing such leaks should be suspended from the parliamentary lobby or press gallery for a specified period.

That would mean that the journal, newspaper or broadcasting organisation would find it almost impossible adequately to report parliament while the penalty was in force.

A particular difficulty for the committee was the inconvenient fact that journalists can only leak information from a private session of a select committee if it is passed on to them by a sympathetic MP who is serving on it.

After much anguished reflection, the all-party privileges committee, presided over by Mr John Biffen, Leader of the House of Commons, has recommended that any MP found guilty of such conduct should be removed from the committee

The report says it is clear that most of the leaks are the deliberate work of MPs on committees, "acting for political or personal motives." Leaks usually occur, it says, through a political desire to undermine the chairman's draft report, a wish to influence the decision a committee will take or a wish to maintain good relations with a journalist.

Darkly, it adds that it cannot ignore another possible motive for leaks from MPs – financial. Although no case of payments to MPs for leaks have been discovered in recent years, "the danger is inevitably there," it says.

A long amendment proposing that all protection of privilege should be removed from committee proceedings was proposed by left-winger Tony Benn during the course of the privileges committee's deliberations.

Not unexpectedly, the committee rejected the amendment by 11 votes to two, with only Mr Ian Mikardo, that other veteran left-winger, supporting Mr Benn.

Outsiders will be mystified as to why such privileges are necessary at all. Traditionally, it is argued that privilege is necessary for a committee to reach an unbiased conclusion without outside pressures being brought to bear on it.

The present rules date from a resolution of the House of Commons passed in 1837. That has since been modified by allowing select-committee evidence to be taken in public and allowing some submissions to be published.

There has been a long tradition to breach of the regulations by journalists. The present report stemmed from an item in The Times diary on March 6 concerning investigation by the House of Commons home affairs committee on whether some of the activities of the Special Branch posed a threat to civil liberties.

The committee's draft report, leaked to The Times, exonerated the Special Branch. The Times suggested that Labour MPs on the committee suspected that the whole investigation had been a "whitewash" from the beginning.

As a result, the privileges committee ruled that the draft report had been "improperly disclosed by a person or persons unknown" and that The Times was guilty of a serious contempt of the House of Commons. Nevertheless it recommended that no further action be taken.

That outcome was typical of cases in the past. As the committee observes in its latest report: "The basic dilemma facing the House and your committee is that the clear rules of the House have frequently been broken but that all concerned are aware of the difficulty of enforcing those rules."

New car sales close to record monthly figure

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

CAR SALES last month, boosted by intense promotional activity, heavy discounting and the manufacturers' public warnings that price increases were on the way, came close to the record monthly total of 374,599 set in August 1983.

With registrations for the last two days of August still to be counted, they had already reached 344,000 – far ahead of the industry's most optimistic forecasts that about 330,000 new cars would be sold.

The flood of sales has remained so strong – at between 8,000 to 10,000 a day – that the Society of Motor Manufacturers and Traders has had to delay by a day its analysis of the statistics. It will now be published tomorrow.

While the sales total has taken the industry by surprise, the manufacturers' shares are in line with expectations. After 29 days of August, Ford has 27.3 per cent of sales, BL 17.2 per cent and General Motors, the Vauxhall-Opel group, just under 16 per cent.

The record monthly registrations total was set when the "A" prefix was introduced to registration plates.

Owen set to outflank his critics at Social Democrat congress

BY IVOR OWEN

CRITICS OF Dr David Owen, who believe that the Social Democrats have become too right-wing under his leadership, look like being outflanked at the party's annual assembly in Torquay, which opens on Saturday.

They will find him in unrepentant mood, although probably ready to accept a motion, to be debated by the Council of Social Democracy next Tuesday, reaffirming the party's original objective to establish itself on the centre-left of politics.

The motion emphasises the need for the SDP to attract both former Labour and Conservative supporters, not out of negative disillusion, but through: "a positive conviction."

Dr Owen is fully aware that his advocacy of the social market economy and of legislative action to curb unrepresentative trade union militants, which would go beyond that already introduced by the Government, is likely to strain the loyalty of some sections of the SDP. However he is assured of vigorous support during the debate.

The success of his tactics in seizing every available opportunity to gain media exposure in order to highlight the distinctive contribution which the SDP makes to the Alliance and to minimise the disadvantage it suffers through being so heavily outnumbered by the Liberals in the House of Commons is widely admired.

Strategists in the SDP hierarchy also realise – though it is not a matter they are prepared to discuss in public – that Dr Owen's refusal to allow the SDP to become identified with the left-wing elements in the Liberal Party or to be seen to be occupying a subsidiary role to that of Mr David Steel, the Liberal leader, is likely to prove of increasing importance in the run-up to the next general election.

Mrs Thatcher and her advisers see the challenge presented by SDP candidates in seats at present held by Conservative MPs as potentially far more damaging than that likely to be faced from the Liberals, particularly if their attempts to depict Mr Steel as a prisoner of his left-wing on the key issue of unilateral nuclear disarmament meet with success.

Dr Owen's prime purpose at Torquay will be to demonstrate that a position on the centre-left of politics can still be sufficiently right of the Labour Party, and by (unspoken) definition the extremists in the Liberal ranks, to enable it to occupy much of the middle-ground lost by the Conservative party to judge from its recent drop in the opinion poll ratings.

Labour reviews housing policy

BY JOAN GRAY, CONSTRUCTION CORRESPONDENT

TENANTS of council-owned houses will keep the right to buy their homes under a Labour government, according to a statement on Labour's housing policy to be presented to the party's annual conference.

Council house tenants were given the right to buy by the Conservative Government. This was strongly opposed by many Labour-controlled local authorities, which own the houses, but was seen as a vote-winner for the Tories.

Labour's statement also proposes a package of assistance for all first-time house buyers and for elderly owner occupiers unable to manage their properties or meet their mortgage repayments.

"People should be able to choose whether to rent or buy the home they live in," it says. "No one should be forced into house purchase because they are unable to get rented housing, and no one should be forced to rent because of unnecessary problems with home purchase."

"But no one's choice should restrict the choices of others," it adds.

The document criticises the Government's policy of giving council tenants the right to buy their homes because, it says, it has allowed the best properties to be sold while the less desirable stock "deteriorates through government neglect" and the stock of rented property dwindles.

To overcome these problems, Labour is proposing that councils should embark on a programme of building and improving additional property to rent.

"Local authorities will be expected to launch a major programme, building new high-standard homes," it says, and emphasises that they will be required to use all capital receipts from sales to replace the dwelling sold with a new home to rent, unless there is a surplus.

Any capital receipts that are not used for new rented housing will be clawed back by the Government.

The Labour Party also wants to encourage local authorities to buy "good quality private sector houses with gardens" to increase the variety of rented housing.

It plans to give local authorities the automatic option of repurchasing at market value any council homes sold under the right to buy scheme, to make sure that no homes are lost to the public sector.

"We accept that this could present problems in relation to discounts," it says, "as local authorities could lose out if they sell at discount and purchase at market prices." To overcome this problem, the document proposes to "absorb discounts into government help to all first-time buyers."

Elderly or disabled owner occupiers will have the right to sell their home to the local authority at a price that reflects the council's housing obligations and remain there as tenants.

Owner occupiers whose homes need renovation – particularly elderly owners – will be offered grants or loans to help improve their homes.

The document also emphasises the need for investing in a programme of renovation and repair to halt the "chronic deterioration in Britain's housing stock."

It quotes both the Association of Metropolitan Authorities' estimates that it will cost £9bn to repair and renovate pre-war local authority housing and the Building Employers Federation's call for an extra £30bn to renovate dwellings

UK NEWS

N-industry sees public acceptance as priority

BY DAVID FISHLOCK, SCIENCE EDITOR

THE MOST important objective in the corporate plan of British Nuclear Fuels (BNFL) is to maintain public acceptance, the annual symposium of the Uranium Institute was told in London yesterday.

This meant acceptance for BNFL's current operations, processes and future plans; acceptance that it operated to adequate health and safety standards for the public and for its own workforce; and acceptance that its operations did not harm the environment, said Mr Harold Bolter, BNFL's director of corporate affairs.

BNFL is expected to announce record exports today, mainly for the reprocessing of spent nuclear fuel at its Sellafield factory in Cumbria.

Mr Bolter said that, in recent years, the company had spent about £500m on new plant and plant modernisation to reduce the impact of Sellafield on the environment.

The company had not criticised public pressures for this investment when it was "soundly-based and rationally argued," he said.

But the pressures had not all been rational. "Activist groups such as Greenpeace, whose stated aim is to close the nuclear industry down, have sought to promote an atmosphere of public hysteria about Sellafield, based on a highly selective use of facts, extreme exaggeration and misrepresentation, and the crudest appeal to emotion."

The company had been fined £10,000 for an unscheduled release of radioactivity into the Irish Sea two years ago. But the judge had stressed no harm had been done to anyone as a result of the incident and there was never any likelihood of harm being done, Mr Bolter said.

A senior Dutch civil servant told the symposium his country was restarting its nuclear power programme after a 10-year break following a public inquiry which concluded that nuclear energy was "by far the cheapest source" of electricity.

Dr Jaques de Jong, from the Department of Energy, said the Government had concluded that at least two new nuclear stations of 900-1,000 MW should be built, with the first coming on-load by 1995.

Two more nuclear stations and two 600 MW coal-fired stations might be needed to meet the extra capacity forecast for even the low-growth predictions for Dutch electricity.

The protracted public review of energy in the Netherlands had involved about 40,000 people, Dr de Jong said.

The Government concluded that renewable energy afforded the prospect of providing only 330 MW by the year 2000, mainly from wind power. It forecast a shortfall of 5,300 MW for which new power stations had to be built by 2000, assuming an annual electricity growth of only 0.9 per cent.

He said nuclear power was not only the cheapest option available, but also offered greater employment and business prospects for Dutch industry. It was estimated 65 per cent of the value of the new nuclear stations – light water reactors – could be executed in the Netherlands.

From the standpoint of public health, radiation from coal-fired and nuclear stations was considered "virtually similar in normal operation and can be considered negligible," Dr de Jong said. Moreover, new Dutch nuclear stations would have no effect on nuclear proliferation.

Italy was finding difficulty siting its new coal and nuclear stations, said Dr Umberto Belelli, in charge of winning public acceptance for Ente Nationale per l'Energia Elettrica (Enel), the state-owned Italian electricity company.

Italy's national energy plan calls for 12,000 MW of new reactors and 12,000 MW of new coal plants. Of the new coal capacity, only seven units totalling 3,300 MW were being built "owing to local opposition."

On the nuclear side, sites had been approved for two 1,000 MW pressurised water reactors at Trino in the Piedmont region – a rice-growing area. In other regions the difficulties were still great, Dr Belelli said.

Experience at the Trino nuclear site demonstrated it was possible to allay public fears. The most tenacious and intransigent opponents had tended to become a minority, "contrasting with the willingness of a growing part of the public to evaluate the implications of proposed installations in an objective fashion."

Mr Hugh Morgan, speaking on behalf of the Australian mining industry, said he hoped common sense would prevail to extricate his company from its dilemma over the Australian Government's unilateral ban on the export of uranium to France.

Cunard proposing to increase number of Concorde charters

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

CUNARD LINE, part of the Trafalgar House shipping property and construction group which owns the QE2 liner, is substantially to expand its programme of Concorde airliner charters next year.

Cunard is already the world's third biggest user of the supersonic aircraft after the two flag airlines, British Airways and Air France, Flying passengers to and from the U.S. and other destinations as part of combined QE2 and Concorde package tours.

Cunard is spending over £12m this year on Concorde charters, and says it will be spending more next year.

Part of the Cunard-Concorde expansion programme includes flights by the aircraft out of UK regional centres for the first time. Up to now all such flights have been based on Heathrow.

Yesterday, Cunard flew passengers from Manchester to New York on Concorde for the first time. These passengers will stay in the Waldorf Astoria, New York, and return on the QE2 to Southampton in a few days' time. Concorde returned to Manchester from New York later yesterday, carrying passengers who travelled to New York on the QE2 on August 28.

Cunard later this year will extend this provincial city combined Concorde-QE 2 operation to include Bristol and Birmingham. Next year, it will be extended further to include Glasgow, Leeds/Bradford, Edinburgh and Liverpool.

In addition Cunard will next year extend its global programme of combined Concorde-QE2 tours, to include Rio de Janeiro, Cape Town and Singapore, in addition to New York.

Risk service launched

BY MAGGIE URRY

ROUSE Woodstock Capital Markets, a subsidiary of Mercantile House, has launched a risk-management advisory service to teach companies and financial institutions how to use futures and options markets.

Announcing the programme yesterday, Mr Philip Manduca, a director of Rouse Woodstock Capital Markets, said there was "a terrific lack of understanding" among banks and corporates as to how these markets could help them reduce risks in dealing with volatile interest and exchange rates.

Under the scheme Rouse Woodstock would send a team to assess a client's needs and demonstrate how to make use of the markets. A fee, probably within the £25,000 to £50,000 range, would be charged. The client would not be obliged to put deals through Rouse Woodstock's brokerage side, though clearly Rouse Woodstock hopes to pick up the business.

UK NEWS

IMS to provide export credits

By Bridget Bloom, Defence Correspondent

INTERNATIONAL Military Services (IMS), a commercial company owned by the Ministry of Defence, has created a division to provide credit for UK exporters selling defence equipment to foreign governments.

The new division, which will trade as IMS Export Finance House, will act as a confirming house and an export finance house. Its prime purpose will be to support small exporters of defence equipment or defence-related products, with contracts between £150,000 and £5m.

IMS said yesterday it had recently identified a need for credit on comparatively small transactions, involving a single UK supplier with a good relationship with the foreign buyer – often the Ministry of Defence in the country concerned.

IMS would not necessarily be part of the contractual train, but could offer preferential credit to the buyer on a non-recourse basis, using the strength of the IMS balance sheet.

During the past 10 years, IMS has fulfilled export contracts, as principal, for more than £1.5bn.

Total British arms sales were projected at some £2.4bn last year, but are believed to have fallen some way below this.

First-half footwear sales up as import surge is checked

BY ANTHONY MORETON

A BUOYANT picture of activity in the footwear industry in the first half of the year is presented today by the British Footwear Manufacturers' Federation.

Deliveries during the six months were the highest for five years, retail sales continued to be good in June and the import surge of the past two years appears to have been checked.

There is concern, though, at the level of sterling, especially against countries in the European Monetary System and at the level of stocks.

The question of stocks will become more apparent when figures for July and August are published, but it is already clear shops are holding large supplies of sandals and other summer shoes as a result of the poor summer weather. Retailers expect difficulty in shifting these.

Mr Michael Feilden, director general of the federation, said yesterday: "Trade is continuing at a fair level overall, though activity is uneven between sectors. Margins continue to remain under severe pressure.

"It is good, though, to record that manufacturers' sales reached 61.3m pairs in the half-year, the highest figure since 1980."

Although this was nowhere near the figure recorded in the late 1970s, he said the value showed a satisfactory rise of 12 per cent during the first half of last year.

Employment continues to drop in the industry and was around 47,500 in June, though it was slightly higher during the past 12 months, averaging 48,900 in the period.

Given the higher delivery figures it is clear that productivity is rising.

Productivity will have been helped by a sharp reversal in June of the overtime/short-time equation. During the month, the numbers on overtime went up by 7.1 per cent and those on short-time fell 16.3 per cent.

Perhaps the most heartening indicators, according to Mr Feilden, concern imports where, although the total was only marginally down in the first six months of the year compared with 1984, there were sharp cutbacks in both May and June. In June they dropped by 15.5 per cent following an 8.7 per cent fall in May.

Imports still amounted to £680.6m in the 12 months to June, a 15.8 per cent rise on the previous 12 months, and with exports only £149.4m Britain had a trade deficit of £531.2m in the period.

Italy continued to account for the major share of imports, taking 39 per cent of the total in the half year. Other important suppliers were Taiwan, Brazil and Spain.

Protection fund at Lloyd's considered

By John Moore

THE CREATION of a multi-million pound fund to protect insurance underwriting members of Lloyd's who run into financial difficulties is under discussion in the Lloyd's community.

So far, the issue is being discussed by individual members of the community and has not been put before the ruling council of Lloyd's. But the idea for the creation of a fund is gaining considerable support in the wake of the troubles surrounding 1,525 underwriting members of Lloyd's, who face £130m of losses.

One proposal is that all of Lloyd's 26,050 underwriting members should contribute £250 a year, levied by the corporation, which could be used to help members who run into difficulties.

In Lloyd's there is a fund to cope with the problems created by members who cannot meet their financial obligations. This central fund, totalling £167.2m, is designed, however, to protect the interests of the individuals who have bought Lloyd's insurance policies.

When a member fails to meet his or her insurance liabilities, the central fund is brought into action and claims are paid out of it. Lloyd's then seeks to recover the money paid out by the fund from the members.

Members pay into the central fund a levy of 0.45 per cent of the business accepted at Lloyd's on their behalf.

The huge claims flooding into the Lloyd's market have caused widespread concern among members, who are individually liable to the full extent of their personal wealth for any insurance claims.

The creation of a fund to protect members has been discussed in the past but has been rejected.

The renewed discussions are dividing the market.

Those who are opposed to the scheme feel that it could compromise the principle of unlimited liability and encourage reckless underwriting.

Those in favour argue that each year more members face some difficulties as the market expands. If members run into financial trouble, it poses problems for the auditing of the entire market.

Directors plan economic forum

BY ALAN PIKE, INDUSTRIAL CORRESPONDENT

A COALITION of interest groups to help governments solve economic problems in Britain is called for by Sir John Hoskyns, director general of the Institute of Directors, today.

He says in the latest issue of the Director magazine that the institute would during the coming months develop its structures in a way that would help bring about that process.

In the "wider and intellectually richer world beyond Whitehall," says Sir John, party-political viewpoints were becoming less relevant. People from different political positions were being brought together by their analysis of Britain's problems.

In a climate of more open and informed debate about general economic policy, professional bodies and business and policy groups could bring more of the reality of the outside world and the real economy to bear on Westminster and Whitehall.

He gives as an example the united opposition of the National Consumer Council, the Confederation of British Industry (the employers' organisation) and the institute to elements of the Insolvency Bill.

"What is important is the light which the episode casts upon the legislative process, and upon the scope for effective co-operation between interests which are all too frequently portrayed in public as antagonistic or stereotyped voices of particular vested interests."

He said that when parliament worked at its best, it drew upon the wealth of available outside information and expertise. It should not be seen as unusual for Labour frontbench spokesmen to join Conservative MPs, accountants, lawyers and bodies representing venture-capital companies to try to get an important piece of legislation right.

"So many of the shortcomings of legislation affecting business turn out to be due to inadequate thinking-through, before the measure in question starts its parliamentary process. We end up with slim White Papers [policy documents] and monster enactments when it ought to be the other way round."

THE ARTS

Book review/David Piper

The monumental achievement of Algardi

ALESSANDRO ALGARDI
By Jennifer Montagu.
Yale Univeristy Press in association with J. Paul Getty Trust, £65, 2 volumes

The sculptor Alessandro Algardi was born in Bologna in 1598, and retained always something of the classicism of his fellow-Bolognese, the Carracci, in whose school he trained. On moving to Rome he had some difficulty in making his way into the artistic establishment already dominated by the precocious genius of Bernini under the patronage of Pope Urban VIII. However, the next Pope, Innocent X, disapproved strongly of his predecessor, and upon election in 1644 moved papal favour towards Algardi so that for a decade thereafter the latter enjoyed major commissions. His premature death came in 1654, whereas his exact contemporary and rival, Bernini, worked on until 1680.

The prolific achievement of Bernini, in all its irrepressible variety and virtuosity, dominates the three-dimensional art of the middle of the 17th century, the High Baroque, to such an extent that his name has eclipsed those of his rivals. The achievement is astounding, from the Baldacchino or the Cathedra Petri in St Peter's, the vast colonnade of the Piazza, the swoon of St Theresa in her ecstasy in the Cornaro Chapel, the fountains of Rome, to his emphatically expressive portrait busts, not least that of Louis XIV himself.

Monumental sculpture tends by its nature to attract a narrower attention than does the work of the painters. Yet also, despite its nature (three-dimensional rather than two), as it is usually monochrome it does not rival painting in its quality of illusionism. In this profoundly distinguished study of Algardi, Dr Montagu writes somewhere of Bernini's "concern with colour . . . his preoccupation with the problem of recreating a likeness of coloured reality in white marble."

Very quiet, in comparison, are the works of Bernini's contemporaries and followers who did not merely exercise in his style. Their distinctive personalities are only now regaining recognition. Algardi in his time was the best known of them, sometimes indeed being spoken of in the same breath as Bernini. Yet who other than art-historians will feel a kindling of interest at the mention of his name? In Britain he is hardly to be seen—the terracottas in the Victoria and Albert, indeed, but the only important marble by him is that acutely alert but brooding bust of Antonio Cerri, recently salvaged from export by Manchester.

Algardi was, in contrast to Bernini, a modeller rather than a carver, and Dr Montagu analyses lucidly the differences in their genius. Both move on the emotional stage of the Counter-Reformation, but it is perhaps in the busts rather than in the monumental figure compositions (for which of course you must go to Rome and Bologna) that Algardi's genius is most sympathetic, seeking, not like Bernini "the dramatic emotionalism of the specific instant," but, the author observes, "the spiritual content"—marvellous heads, contemplative, inward looking, yet quick and sharp with life.

There are a few small-scale bronzes in British collections—the extraordinary rendering of the Flegellation, as in the Fitzwilliam, which illustrates almost perversely in its balletic elegance the delicate sensitivity and rhythm of Algardi's modelling. Algardi's involvement in the production of small bronzes was considerable, and many of them are of the highest quality, though many of the "originals," in silver or gold rather than bronze, have been lost. Dr Montagu devotes special attention to the problems they present, and her account of the complexities of the moulding and casting processes is the most lucid and enlightening I have yet encountered. Her analysis of the precise relationship of a given version of an Algardi model to its original is usually convincing, though caution prevails. A characteristic observation is: "although my solution now would be slightly different, but no less hypothetical, the problem remains substantially the same"—at which many a serious student may heave a sympathetic sigh.

Algardi's "Liberality," a detail from the tomb of Pope Leo XI

Dr Montagu harvests in this work the fruits of many years of concentrated study of Algardi. It consists of an extensive analysis of the character of his work and its development, with copious comparative illustrations within the text, followed by a full catalogue ordered by subject rather than by dates. The complexities in the catalogue may be indicated by the fact that it involves comparative discussion of scores of crucifixes. Finally, the main block of 225 plates: these are in black and white though a few fine colour reproductions occur in the text. The author commands an easy and fluent style yet one capable of most exact precision, a combination not offered by all art-historians. The text reads well. That it presents difficulties for the non-specialist reader is however endemic in the nature of the exercise, which has to embrace narrative, notes, detailed catalogue, and illustrations. Thus the flow is inevitably interrupted by cross-references, and the reader to reap full benefit needs both volumes open before him, but even so hiccoughs will occur within volume two as he leaps back to consult the calalogue entry for the reproduction at the end of that volume to which volume one has referred him.

A student at the institutional library table is used to this, but it would be pleasant if the brilliance of Algardi were to be made more readily available for domestic use. Dr Montagu's book is published with support from the J. Paul Getty Trust, reminding one that Malibu is far from being solely intent on gathering expensive masterpieces for its museum, but is also building a programme of generous support for the publication of serious scholarly works such as this. But the trust is also concerned with art education and with encouraging interest in art at a popular level. A concise, low-priced, single volume version of Dr Montagu's work could astonish thousands by the revelation of the quality of this sculptor.

Alastair Muir

Joseph Marcell (left) and Hugh Quarshie

Split Second/Lyric Studio, Hammersmith

Michael Coveney

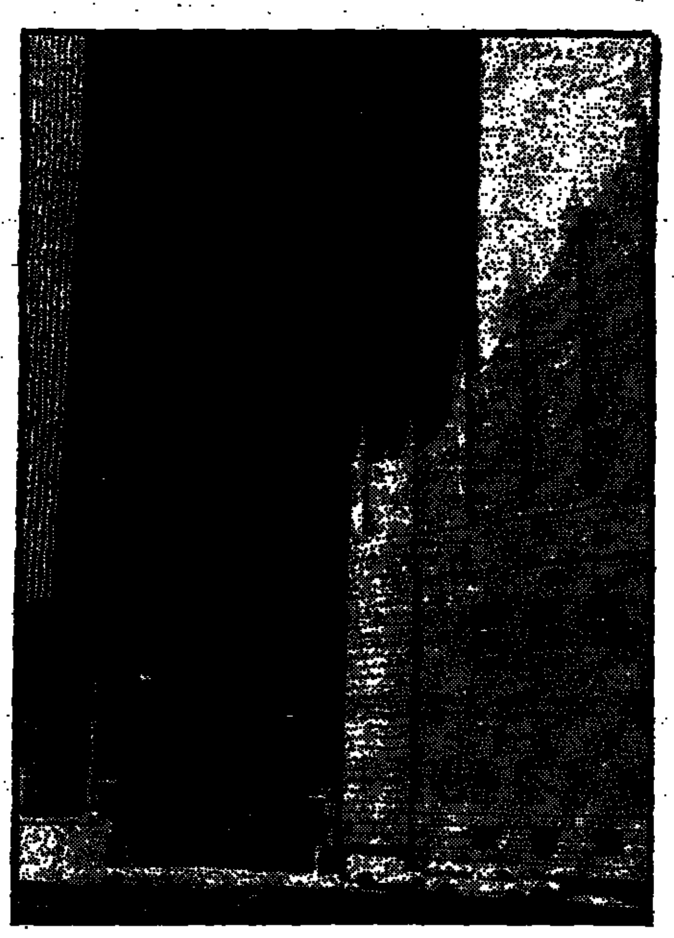
In a taut and gripping opening scene, a black cop chases and pins down a white car thief in downtown New York. Although handcuffed, the thief — who was going for a beaten up Oldsmobile — tries to soft talk the cop into taking a bribe from a brother who runs two dry-cleaning stores. When that fails, he turns abusive and lets rip a stream of racist abuse. The cop shoots him at point blank range, cleans the gun and plants an open knife in the dead man's hand.

Dennis McIntyre's play then develops as a study of conscience: Val Johnson, the cop, wrestles with the truth of what he has done and the consequences of admitting it at the Departmental hearing. His black superior officer (Joseph Marcell) interrogates him, suspicious of the details; his friend Charlie (Elvis Payne) tells him not to think about it over a couple of drinks, while Val himself says he would not have shot the guy had he been black; his wife Alea (Jenni George) puts the affair in the context of black expectation in a white man's society, black men doing white men's jobs.

As in Thomas Babe's *A Prayer For My Daughter*, another powerful New York police play set on a long hot July 4 night, American urban life is seen in a state of struggle with its appointed watchdogs of liberty. The heart of the matter is reached when Val visits his father, one of the first black cops back home in Pittsburgh, who has followed his son to New York and who believes he should tell the absolute truth even if it means spending 10 or more years in jail. Even as a child, Val would receive fingerprint kits for Christmas. Old Rusty (Tomy Eytle) believes things have changed for the better; his son that "snails crawl faster than we do."

At the hearing, Val's version of events really comes as no surprise and this is because Hugh Quarshie plays the role with a likeable surface elegance without tapping the bubbling inferno within this Vietnam veteran who never killed in war but whose lid has finally flipped on the sidewalk. The whipcord, vicious quality of the writing would have allowed for much more energy and writhing angst. Detonation never takes place.

The play, after all, is not just a good strong drama, but also an interesting dramatic discussion of chippy, aggressive "blackness." Sparks really fly in the first scene thanks to Michael Melia's ranting, desperate, gum-spitting small-time hustler. Hugh Woolridge's production is neatly arranged on Clare Lyth's design of grey platforms, steel poles and metal grilles. As a sideshow, though, I would say this was moody without punch.



Pennzoil building (left) in Houston with part of Republic Bank on right

American architecture

Gillian Darley

An American friend's small daughter, passing through London from New York recently, had a question: are there skyscrapers in London? How does one explain that London does have some tall buildings but scarcely any worth a second glance, that almost every one is in the wrong place, and that no one has thought how to design them since there is no demand?

The U.S. has reached the opposite extreme. The competition for novelty is such that quality has an equally hard time winning through. In Manhattan the tall building aesthetic is cocktail bar chic: surfaced matte or reflective, smart colours of the 1980s on the outside (designed by what are tellingly known in American architectural argot as the "skins department"; inside, a scanty 1930s Deco reference here and there; and some variant on the wall-of-water, palm-court-at-sea look for the public plaza that will probably be *de rigueur* inside—the pound of flesh, or the couple of hundred square feet, that the city planners squeezed out of the developer.

Still, Houston is the city to visit, if you want the 1980s version of events rather than that of the sale 1970s. At first glance downtown was built in the last five years, or at a stretch 10. Then one notices a few old-stagers tucked in behind and beneath the others. The range is fantastic: round or rectangular; mirror glass or clad in slick gowns of marble or polished granite. You can follow architectural fads even if you stick with one person or practice. Take that old stayer, Philip Johnson. In his architectural career he has donned a number of guises. Two of the most recent stand side by side in Houston. There is the Pennzoil building of 1976, a vertiginous business by which two slices of building just fail to brush one other, a kind of cut and paste version of the polished modernist tower that Johnson (with Mies van der Rohe) had accomplished in the Seagram Building, New York, of 1958.

In fact, the Pennzoil block is staggering, because of the rules it almost breaks, most visual and practical. It showed a new potential, of form alone, but then he cracked; its next-door neighbour is a Flemish Gothic affair, pink granite with pinnacles sprouting like a mohican haircut along every exposed edge. The Republic Bank Center, completed in 1984, was first cousin of the earlier, notorious New York "Chippendale" Building (actually the AT & 2 tower) in which he surmounted another great stone monolith with an open pediment.

Someone who has been considering the development of the skyscraper, and the rush to gimmickry and superficiality which has come with it, is the former architectural critic of the New York Times, Ada Louise Huxtable, a wise and ever discreet observer of the foibles of the daft world of fashionable building.

In her latest book, *The Tall Building Artistically Reconsidered: the search for a skyscraper style* (published in the U.S. this year by Random House) she traces the history of the building type. As she points out, the search for style has replaced the stimulus of pushing the structural limits. The moment when form was treated for its own sake (and the Pennzoil building is one of her examples), as sculpture, has passed; the new eclecticism, as Mrs Huxtable, calls it, suggests that in the postmodern phase the "surface of history has only begun to be scratched."

It is an alarming picture because history is being misused and, in Mrs Huxtable's phrase, the architects' "paper-thin pretensions" are selling in the marketplace. But more disturbing is the quote from Eugene Kohn of Kohn Pedsen Fox, one of the more distinguished U.S. practices working in this genre, that the "engineering technology that makes them possible has far outstripped human responses or the ability to cope with or enjoy the results." The buildings get taller and follow fashion, but what of those poor mortals who struggle with the deficiencies and limitations of these in-bred creatures from the architectural kennel?

So, here in London we have few skyscrapers and hardly any of distinction. But—I would have answered my questioner—at least we don't have super-buildings: the World Trade Center in New York attracts 50,000 employees and 80,000 visitors daily. With that kind of pressure, other aspects—unglamorous matters of everyday concern such as traffic mobility and services—cry out for consideration, but receive precious little. Ada Louise Huxtable's book ends on an elegantly phrased vision of hell. As she concludes "today's big building is a masterpiece of economic manipulation"—yet the architect wastes precious moments ("he who hesitates loses the commission") engaged in "endless, arcane chatter . . . a kind of self-inflicted architectural castration." Words we should heed, lest hindsight makes us merely smug, not prepared.

New singer for Wigmore season

The Wigmore Hall Season opens this Saturday (September 7) with Brigitte Fassbaender replacing Lucia Popp in an all-Schumann programme consisting of five *Mary Stuart Lieder*, *Frauenliebe und Leben* and *Dichterliebe*.

Das Lied von der Erde/Albert Hall

Dominic Gill

The little Haydn Sinfonia Concertante with which Simon Rattle and the City of Birmingham Symphony Orchestra opened their Prom on Tuesday night was done with charm and spirit; but its impact was all but lost in the air of expectancy which waited on the evening's main work, Mahler's *Das Lied von der Erde*.

The two soloists in *Das Lied* were Jon Vickers and Jessye Norman. In style and manner, Vickers was the nearly perfect complement to the huge and luminous voice of Miss Norman: quick, intimate, high-flying, small-toned enough to be lost occasionally in the orchestral texture, but wonderfully expressive. His treatment of the notes of the score was always free, not always even particularly exact: in some passages perhaps only two-thirds of them were separately enunciated—but the shape and the sense of every phrase was flawless. "Von der Jugend" was buoyant with dancing surge; each measure of "Der Trunkene" was alive with vivid rhythmic pointing.

Jessye Norman was masterly. Nothing in her performance is left to chance, and yet everything emerges with an ease that seems to be born of perfect spontaneity. The concentration of tone and line was irresistible: an extraordinary bloom of sound, in "Einsame der Herbst" from the darkest chest register to the purest fluted head tones; in "Von der Schönheit," a simple flowering of the greatest delicacy. The immense culmination of her "Abschied," an all-embracing sunburst on the words "Die liebe Erde," was absolutely right and entirely unaffected in its artfulness: one of the most ringing, and heart-wringing, climaxes to a *Lied* that I have heard. The final cadences were magical—though naturally some idiot had to shout "Bravo" before the final "ewig" had even died away. Afterwards, Miss Norman got the usual bouquet of flowers: Mr Vickers—a new departure, which should be encouraged—got a bottle.

*

The new work of Monday's Prom, played by the BBC Symphony Orchestra under Dennis Russell Davies, was a BBC commission from Bernard Rands. *Canti lunatici* is scored for orchestra with solo soprano and takes as its text 15 poems in various languages about the moon. It is a dsappointing piece, long in duration, thin in substance. Rands' opening idea was nice: a solo melisma hummed and sung, into which clicking, whirring, scraping percussion gradually intrudes. But that turns out to be the most striking inspiration of nearly half an hour of music: nothing subsequently is even half as arresting.

One or two moments almost approached it: notably in the sixth poem, a stark, nervous, *Pierrot Lunaire*-like setting of Hans Arp, which had much potential, if in its present form little potency. But the rest was flaccid, or merely inept—a mad, shrieking response to Blake's simple, rapturous "The Moon"; a straightforward cop-out, mostly spoken, in Arp's extravagant "Ein grosses Mondtreffen." The soprano Linda Hirst strove valiantly to give shape and character to a part which essentially possessed neither.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Aug 30–Sept 5

Exhibitions

PARIS

Renoir: An important exhibition of the most sensuous of the impressionist painters, who never tired of glorifying the nude feminine body capturing the light, comes to Paris from the Hayward Gallery, London. It consists of some 125 paintings and 50 drawings, including Le Bal du Moulin de la Galette and La Danse à Bougival. Grand Palais, Closed Tue. Ends Sept 2 (261 5410)

Perfume: An enchanting exhibition in praise of perfume assembles 550 objects, mostly phials, bottles and perfume fountains from the 16th to the 19th century. Some were made of Viennese porcelain, others of Bohemian cut glass or from gold and enamel in England. There are silver pomanders with petals opening up and Chelsea china statuettes. They all show exquisite workmanship and some of perfume's power to beguile. Le Louvre des Antiquaires, 2 Place Palais Royal. Ends Sept 15.

BRUSSELS

Opera costumes from 1959 to the present including Zeffirelli's Rigoletto, Bosquet's Traviata and Karl Ernst Herreman's Clemency of Titus. Musée de Costumes et Dentelle. Until November.

WEST GERMANY

Munich, Staatsgalerie moderner Kunst, Prinzregentenstr. 1: German Art since 1960, 200 paintings, prints and drawings by 13 artists from the private collection of the German Prince Franz of Bavaria. Among them: Beuys, Richtar and Kiefer. Ends Sept 15.

Essen, Villa Huegel, Auf dem Huegel: Turkish culture and art from the Osman Empire. 500 works ranging from the 15th-19th centuries. The show includes glass, carpets, ceramics, miniatures and weapons. Ends Oct 27.

Köln, Kunsthalle, Joseff-Haubrich-Hof 1: The Fiancee Beloved, Sold, Exchanged, Stolen. The exhibition describes the role of women in different cultures and shows various marriage ceremonies. It also displays 2,000 paintings, photographs and costumes from various countries through the ages. Ends Oct 10.

ITALY

Florence: Museo Archeologico (Piazza SS. Annunziata) – The Etruscan Civilization: This is the first of a long series of exhibitions to mark The Year of the Etruscans, and shows the results of the most recent research into the Etruscan world. A useful history of this civilization's birth, development and decline. Ends Oct 20.

Rome: Lalazzo Venezia (Piazza Venezia 3): Paesaggio Con Nigura – 57 works from the Borghese collection. The Villa Borghese, which houses one of the best patrician art collections in Rome, is likely to be closed for repairs for at least another year and some of the gems from the collection have been transferred to this site for the summer. Includes works by Titian, Veronese, Domenichino, Caravaggio and Dosso Dossi. Ends Sept 30.

NETHERLANDS

Amsterdam Rijksmuseum Printroom Continuing its centennial celebrations, the museum has put together a revealing exhibition of 60 of its finest Rembrandt drawings supplemented by a further 60 by anonymous Rembrandt pupils and followers to illustrate the extent of the master's influence. Ends Sept 29.

Rotterdam, De Doelen. 12th Art and Antiques Fair (all week from Sun).

SWITZERLAND

Martigny: Fondation Pierre Gianadda: 250 Klee paintings in the striking modern gallery built over the Roman ruins of the city of Octodurus. Ends Nov 3. (026/2 39 78).

VIENNA

Vienna 1870–1930: Dream and Reality: The greatest names of the Viennese fin-de-siècle – Klimt, Otto Wagner, Schiele, Kokoshka, Aldolf Loos, Josef Hoffman – in a dazzling display of Jugendstil creative genius. The attempt to integrate the artistic achievements of this era with philosophical developments (notably Wittgenstein but also Freud) and political transformations (the emergence of municipal socialism on the ruins of Baroque splendour) is ambitious and only partly successful. The complex tension between autocratic and censored reality on the one hand and the illusions or fantasies of individual artists on the other is hinted at but not fully explored. A high point of the show is a reconstruction of Hoffman's room at the secession exhibition of 1902. Here, triumphantly restored, is Klimt's fifty-foot Beethoven frieze depicting humanity's progress through suffering to joy on the theme of the Ninth Symphony. Displayed exactly as intended, this alone is worth a special visit. Kunstlerhaus. Ends October 6.

TOKYO

Modigliani: 130 works in oils, watercolours, and sculptures. National Museum of Modern Art, Kitanomaru Park (near Palace and Imperial Hotels and parts of Tokyo's oasis near the Imperial Palace). Ends Sept 29.

Contemporary Western Art: Small standing collection of Hara private museum (Shinagawa) includes works by Dubuffet, Jasper Johns, Lichtenstein, Jackson Pollock, Vasarely, Warhol. The museum is a modern house, with a large shady garden and facilities for tea on the lawn. It is an ideal antidote to Tokyo's concrete and heat. Ends Sept 23.

Rubens: The first large-scale exhibition of Rubens in Japan. 80 masterpieces of oils and prints, plus works of collaboration with his pupils. Takashimaya Department Store, Nihonbashi. Ends Sept 17. Closed Wed.

NEW YORK

Metropolitan Museum: 30 objects from the period between the 1851 Crystal Palace Exhibition to the 1900 World Fair in Paris demonstrate the show's theme of Revivals and Explorations in European decorative arts. Ends Sept 5.

WASHINGTON

National Museum of American Art: 35 paintings by Alexander Hogue capture the American Southwest through dustbowl and prairie in highly stylised evocative works from the 1920s to the present. Ends Nov 3.

Walter Piston/Albert Hall

Andrew Porter

There is little danger that anyone who lives outside London might begin to take the Proms for granted. For ten years I have been living mainly in New York but each summer have been back for at least a part of the Prom season to feast on the fare it offers: these eight weeks seem to hold as many exciting concerts as most other cities offer in the course of a year. When the annual prospectus arrives, spirits lift at the chance of hearing new works by composers one admires, of hearing new performers one's been reading about, and of catching up with such things as—this year—Peter Maxwell Davies's *Third Symphony* and Harrison Birtwistle's *Secret Theatre*.

American music is the principal theme this year. It has been an historical survey, with eyes on the past, and it seems rather a pity that so little was chosen to show what American music has been up to, and what American audiences have been listening to, during the last 35 years or so. Recent developments are represented only by Elliott Carter's new *Penthode* and Steve Reich's *Desert Music*; and the busy years since 1950 only by those pieces, by Carter's Piano Concerto, and Roger Session's Requiem. No Milton Babbitt, no Charles Wuorinen, no John Harbison, no Peter Lieberson, no Roger Reynolds. (Wuorinen and Lieberson have recently composed exciting, large-scale piano concertos well suited to the Proms format.) Nothing by the American contemporaries of the young British composers who help to make the Proms so lively.

Walter Piston's Second Symphony (1944), which was first played at the Proms 38 years ago and was revived last Friday is a well-made piece and characteristic of its composer, if not one of his most aresting works. The Sixth Symphony (1955) might have incited a stronger feeling that Piston — a celebrated teacher, and the author of standard textbooks on harmony, counterpoint, and orchestration — is also an undeservedly neglected creator.

But the Second Symphony is hardly more than a demonstration that America, like most countries, has produced several accomplished symphonic craftsmen, skilfully shaping traditional materials in traditional forms. The three movements are well wrought, nearly fashioned, adeptly scored. There's nothing to be said against the work except that musical history is packed with such pieces and at the Proms one hopes for adventures.

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Thursday September 5 1985

A debt-trade conundrum

IT WAS Mr Donald Regan, in his erstwhile capacity as U.S. Treasury Secretary, who first suggested convening a joint summit conference of finance and trade ministers to address the Third World debt crisis two years ago. Even when they are seated around the same cabinet table, finance ministers, with their institutional bias towards free markets, sometimes seem to speak an entirely different language from trade ministers, who could more accurately be described as ministers for protectionism in many governments. Yet the financial reforms required in many Third World debtor countries by the International Monetary Fund were bound to have profound consequences for the structure of world trade. It seemed self-evident to Mr Regan that the whole panoply of trading and financial relationships between industrialised and developing countries had to be reviewed together.

Needless to say, Mr Regan's off-the-cuff proposal soon vanished into the bureaucratic slough of international economic summitry. The only trace it left was a vague undertaking by leaders of the industrialised countries to promote greater "dialogue" between the IMF and the secretariat of the General Agreement on Tariffs and Trade in Geneva. So far, this dialogue has produced a deafening silence. Meanwhile, the costs and dangers of unresolved contradictions between international financial, trading and macroeconomic policies have continued to mount.

Against this background today's annual report from the United Nations Conference on Trade and Development (Unctad) comes as a welcome change.

Unctad's central point is that the present approach to the Third World debt crisis is not really solving the problem, but simply shifting it from the international banking system to the system of world trade. Unctad gives numerous reasons why the debtors' adjustment programmes may prove unsustainable in the long-run. Some of these are probably overdramatised — for example, its grim projection that real interest rates could remain above 6 per cent for another decade.

Similarly, there are some questionable assumptions behind an interesting calculation, which suggests that the investment cutbacks in many debtor countries may eventually render them physically incapable of gnerating the export growth at the rates required to service their debts. As the World Bank has frequently shown, the efficiency of investment can be much more important than its aggregate level—a point which Third World leaders must never be allowed to ignore.

However, it is harder to parry Unctad's central argument against the present complacency on Third World debt. The danger is that industrialised countries themselves will ultimately thwart the debtors' adjustment efforts by refusing to provide markets for the Third World's exports.

At this point conventional wisdom, as represented by successive economic summits and IMF annual meetings, tends to wring its hands and issue general denunciations of protectionism. But Unctad's point goes deeper: protectionism is a predictable, and possibly inevitable, response to the sort of extreme dislocations in world trading patterns which are bound to occur when countries like Brazil and Mexico are forced, for years and even decades on end, to generate trade surpluses equivalent to 5 per cent or more of their gross domestic products and when even the poorest developing countries in Africa find themselves spending much of their development assistance on interest payments instead of imports from the industrialised world.

Barriers

It is, of course, desirable in itself for the industrialised countries to lower protectionist barriers against goods from the Third World—Unctad calculates the total economic cost of protectionist barriers against Third World countries may be as high at $700bn, in present value terms. But it is hard to imagine protectionist barriers against the Third World being dismantled as long as debtor countries are forced ruthlessly to cut back their own imports from the industrialised world—at an aggregate cost of up to three million jobs annually, according to Unctad.

Even if protectionism can be kept at bay, the curious combination of record unemployment in the industrialised countries, debt-induced austerity in the Third World and an international financial system which is recycling every dollar of available savings into the U.S. budget deficit, justifies Unctad's basic contention that it is high time to view debt, trade and international macro-economic management within a single framework.

Changing needs in social security

MR NORMAN FOWLER'S Green Paper on reform of the social security system does not seem to be maturing like a good wine. The longer experts have had to appraise the Secretary of State's proposals, the less, by and large, they seem to like them. The paper looks even less like a "new Beveridge" than it did on publication three months ago. The pensions industry remains up in arms about the proposed dismantling of the state earnings-related pension scheme and a host of pressure groups have roundly condemned the planned overhaul of supplementary and housing benefits.

The Equal Opportunities Commission, which unveiled its formal submission this week, has produced some sharp criticisms of Mr Fowler's proposals. The criticism is damaging not only because the EOC is without political affiliation but also because it is general rather than specific. Most pressure groups have a narrow patch and are exercised by only a few aspects of the paper; the EOC, however, regards the entire review as flawed because of its failure to grapple with the particular problems raised by the changing role and needs of women.

Evolution

Mr Fowler's paper aims to be a blueprint for a social security system capable of meeting the needs of the next century. If it is to be successful it needs to anticipate social change over the next 40 years; the burden of the EOC's criticism is that it has failed even to come to grips with the social evolution of the past 40 years.

The heart of the Beveridge view is that women are economically dependent on men and that the "normal" family will consist of a male breadwinner and a wife staying at home to care for children and possibly other elderly dependents. Such a view of the world is now, of course, hopelessly out-of-date. The much higher rate of divorce now means that a large proportion of women have to fend for themselves in late middle and old age. It has also led to a big increase in the number of single-parent families (now 12 per cent of all households), 90 per cent of which are headed by women. More significant still is the huge increase in the economic activity of women since the war; 60 per cent of wives now contribute to family earnings, even if many of them are in ill-paid, part-time jobs.

The point is not that the changing role of women invalidates everything Mr Fowler is trying to do, but that his failure systematically to consider the implications of social change ensures that his blueprint is far from optimal. One problem is that equal treatment for men and women does not necessarily imply the same treatment. It can require special compensatory measures. The obvious example is pensions: the Government might claim its new proposals for personal portable pensions do not discriminate between the sexes—it is, after all, requiring insurance companies to provide annuities on the same basis for men and women.

In reality, however, the phasing out of Serps will hit women disproportionately hard. They will lose the best opportunity they ever had to acquire some measure of economic independence in old age. Women are still much more likely than men to have broken employment records on account of family responsibilities; this will ensure they qualify only for a scaled-down pension under the planned private-sector alternative to Serps. What is required are compensatory payments into portable schemes for those who are obliged to leave paid employment to care for dependents.

The pension proposals are just one example of the Green Paper's insensitivity to women's needs; the EOC has a long list of other objections. Mr Fowler's blueprint appears to represent a reversal of hesitant moves in the 1970s to refashion a social security system which took female dependence on male breawinners almost for granted.

FOREIGN CAR MAKERS IN THE U.S.

A Trojan horse in Detroit

By Kenneth Gooding, Motor Industry Correspondent

THE U.S. motor industry has suddenly woken up to the fact that by 1988 the Japanese will have the capacity to assemble 1.8m cars a year on American soil.

After many years of insisting that the Japanese should build cars in America rather than simply exporting from their low cost manufacturing base, the U.S. industry seems to have won its argument, only to find it is now facing the worst of both worlds.

For as well as boosting their market share through American-built vehicles, the Japanese hope to maintain the current level of exports at about 2m cars a year.

If they succeed, it will lead to further major losses in earnings and jobs for the U.S. automotive groups, particularly among the component suppliers.

It is thus not surprising that protectionism is once again rampant in Detroit.

There seems every reason to believe that the Japanese will be able to sell nearly every car their U.S. factories can produce because American car companies will give the new plants a helping hand in the important early stages by taking about half their output for sale through their own outlets.

The U.S. companies also find their sales are being nibbled away by the Europeans, who would like a little more of the high-priced part of the market, while low-cost cars from South Korea, Taiwan and Yugoslavia will soon be launched in the U.S.

The impact of all this is likely to be swift and, for the U.S. groups, severely damaging.

Mr Jean-Claude Gruet, automotive analyst for Salomon Brothers, suggests, for example, that by 1988 the U.S. companies' car market share will drop from the current 75 per cent to about 60 per cent.

'There will be a bloodbath in the next recession'

Foreign manufacturers will account for 30.8 per cent, with imports and 9.9 per cent with American-built cars, he predicts.

"This 15 percentage point drop in market share translates into an average annual loss of 1.5m cars, representing $13.5bn in revenues and $600m in net earnings."

However, that tells only part of the story. It is conservatively estimated that only half the content of the U.S.-built Japanese cars will actually be of North American origin. High-value items such as engines and transmissions will mainly be imported from Japan.

The Japanese car makers will also encourage more Japanese component companies to follow them into U.S. production. Add to that the expected increase in engines and other components which the U.S. car makers intend to take from Mexico and Brazil and it is clear why the outlook for America's 27,000 component supply companies appears bleak.

Ms Ann Knight, a vice-president and analyst at Paine Webber, maintains there is a very real threat that excess capacity throughout the U.S. automotive industry might follow the pattern established in Europe. In any case, "there will be a bloodbath in the next recession as component companies are killed off.

In fact, the component suppliers have already begun the lobbying process. They have a great deal of political clout because they contribute so much income to the many communities in which they are based. Congressmen listen to what they have to say.

The suppliers' campaign dates back to a meeting earlier this year between the U.S. Department of Commerce and the Automotive Original Equipment Manufacturers—a group which includes component industry giants such as Borg-Warner, TRW, Rockwell, Kelsey-Hayes and United Technologies.

They heard a departmental forecast that sales of cars built in North America by the big four (General Motors, Ford, Chrysler and American Motors) would plummet from 7.818m in 1984 to 6.365m in 1988. The balance of the projected 11.2m sales in 1988 would be contributed as follows: 775,000 from the Japanese plants in the U.S., 3.075m imports from Japan, 610,000 from Europe, 240,000 from Korea and 135,000 from other countries.

Asked what this would mean in terms of lost American jobs, the Commerce Department estimated that in the car assembly plants 100,000 would go because of the loss in market share by the U.S. companies. That figure does not include those jobs which will go because of changes in production technology.

No precise figure was available for the impact on the supply industry but, the department said, estimates ran as high as an additional 400,000 job losses.

Economists at the automotive industry's union, the UAW, have produced similar figures—they predict 500,000 jobs will go. UAW membership has dropped from 1.5m in 1979 to 1.1m last year and the union—which also has many Democratic friends in the Congress—is pressing for action to stem the tide.

Paine Webber's Ms Knight believes that some component makers will be able to offset part of the potential impact by arranging joint ventures or licensing agreements with Japanese companies.

This process has already begun. General Motors recently signed two joint ventures in two months—with NHK Spring of Yokohama and Akebono Brake, Japan's major brake producer.

And a deal which has sent reverberations through the industry has been arranged by Federal-Mogul of the U.S. and NTN Tokyo Bearing. In effect, this will involve F-M handing over to NTN in the next three years its manufacturing operations at Hamilton, Alabama and Macomb, Illinois, which produce tapered and cylindrical roller bearings for truck, construction and agricultural equipment as well as related research facilities in Ann Arbor, a Detroit suburb.

Ironically, it was a previous upsurge of protectionism in the U.S. which prompted the events now causing so much concern. During the prolonged recession at the beginning of the 1980s when the American motor industry suffered severe financial losses, the U.S. and Japanese governments reached a voluntary restraint agreement (VRA) which limited the volume of Japanese cars to be shipped to the U.S.

The VRA ended in the spring but the Japanese took the hint and decided to set up car assembly plants in the U.S., partly to head off further protectionist measures.

Honda led the way and has been producing cars at facilities alongside its motor-cycle assembly plant at Marysville, Ohio, since the spring of 1983. Nissan followed a year later by putting a car line into its pick-up truck factory in Smyrna, Tennessee.

Toyota, largest of the Japanese car groups and always the most cautious, started with a joint project and General Motors, the world's biggest automotive company, as its partner. Together they reopened a car plant which GM had previously shut at Freemont, California, to produce cars based on the Toyota Corolla and using mainly imported components for GM's Chevrolet division.

The so-called New United Motor Manufacturing Inc (Nummi) has Toyota management directing UAW workers who lost their jobs when GM gave up at Freemont.

Toyota has now decided to expand the output of Nummi to make Corollas for its own dealer network in the U.S. and, at the same time, has announced it is looking for sites for a 200,000 cars a year plant in the U.S. and for one to produce 50,000 a year in Canada.

Mazda has already found its site—at Flat Rock, Michigan, and have the capacity to build 250,000 cars a year from 1987 onwards. Mazda is 25 per cent owned by Ford and the U.S. company will take about half the output from Flat Rock.

Last of the Japanese groups into the fray was Mitsubishi which is to set up a joint project plant for about 180,000 cars a year with Chrysler, third-largest of the U.S. groups.

Chrysler's chairman, Lee Iacocca fought a hard battle to prevent the VRA being removed earlier this year. Once it became clear that the Reagan administration had had enough, Chrysler activated what he calls "plan B" to get much closer to Mitsubishi. As a result, Chrysler will increase its shareholding in the Japanese company from 15 per cent to 24 per cent.

Chrysler's studies suggest that the Japanese will quickly capture 50 per cent of the U.S. car market through imports, "transplanted imports" (those Japanese cars assembled in the States) hybrids (part Japanese-part U.S.) and components in U.S. cars. "Within 24 months our projection is that for the first time the Japanese will crack 50 per cent of everything. We will have managed to take the biggest single industry the world has ever seen and give away over half the total value-added," says Mr Iacocca.

Another effect of the VRA was that it encouraged the Japanese to move up market because they could not increase volume sales substantially. This created a gap at the bottom of the car market in the U.S. for low-cost cars which Hyundai, South Korea's major producer, now intends to exploit to the tune of 100,000 cars next year.

Ford and GM will also be using South Korea as a source of low-cost cars. GM is helping Daewoo to expand to provide the vehicles which will be based on a design by GM's Opel subsidiary in West Germany. Ford has linked with Mazda to help Kia of Korea increase its output. Some of the cars — at least an annual 50,000 — will go to Ford in the U.S.

GM has already started using "captive" imports for its Chevrolet division from Isuzu and Suzuki in Japan (the U.S. group owns 34 per cent of the former and 5 per cent of the latter company).

And Ford is building a new factory in Mexico to use Mazda components for cars which will mainly be exported to the U.S.

All this is part of a pragmatic approach by the U.S. groups which acknowledge that, as things stand — with the Japanese able to land a small car in the States for $2,500 less than it would cost to make in America — they cannot produce small cars profitably in their home base.

The U.S. companies offer some hope that they will be able to find new approaches to manufacturing and distributing cars in the States which will enable them in the medium term to produce small cars profitably there.

GM has its much-vaunted Saturn project; Ford calls its version Alpha, while Chrysler's is named Liberty.

Dr Marina Whitman, a GM vice-president and the group's chief economist, insists that the forecasts of rapidly increasing Japanese market penetration are far too gloomy.

Most of the cars the Japanese have anounced they will produce in the U.S. will be small by American standards, she points out. "So, unless there is a tremendous shift in demand towards small cars, a great deal of the output from the Japanese factories in the U.S. will substitute for imports. Otherwise the numbers just don't add up."

However, Dr Whitman admits: "Five years down the road we will see foreign penetration of the car market increase by several percentage points. How that breaks down in imports and those cars produced in the U.S. is difficult to judge, but I expect the penetration of true imports to decline."

Can the Americans succeed with their small-car projects? Like all other GM executives, Dr Whitman publicly takes the obvious stance: Saturn will do the job and, not only that, the lessons learned will be spread throughout GM's car operations.

Others are less sanguine. Mr Harold "Red" Poling, Ford's president, points to the $2,500 cost disadvantage that the Americans are facing on an

'For the first time The Japanese will crack 50 per cent'

Escort-sized vehicle and says it will take some time before his company, via the Alpha project, might be able to claim it has a solution. "To be completely candid, I'm not sure we can get to that point but we are sure going to give the best try you've ever seen. We really want to fill our plants here in the U.S."

In the shorter term, where will the current protectionist pressures lead? Ms Knight predicts that, although the component supliers will provide the greatest pressure and push for legislation to require that a minimum level of domestic content be included in cars assembled in the U.S. that aproach probably will be unacceptable to the Reagan administration. But the Government might just give way enough to re-establish the voluntary restraint agreement to ensure that Japanese car imports are pulled back as the new Japanese assembly plants start up in the U.S.

U.S. MOTOR INDUSTRY

UNITS IN THOUSANDS

	1985†	1986†	1988†	1990†
Capacities				
General Motors	5,000	5,000	5,150	5,400
Ford	1,800	1,800	1,800	1,800
Chrysler	1,350	1,350	1,350	1,350
AMC	135	135	135	135
Volkswagen	115	115	115	115
Honda	150	150	300	300
Nissan	70	70	125	125
NUMMI	80	250	250	250
Mazda			240	240
Mitsubishi			180	180
Toyota			200	200
Total Capacity	8,700	8,870	9,845	10,095
U.S. Manufacturers	95.2%	93.4%	85.7%	86.1%
Foreign Manufacturers	4.8	6.6	14.3	13.9
U.S. Auto Sales‡	10.70	10.75	9.75	10.80
Imports‡	2.71	3.11	3.00	3.40
Domestic Sales‡	7.99	7.64	6.75	7.40
Excess Capacity	710	1,230	3,095	2,695
Operating Rate	92.0%	86.0%	69.0%	73.0%
Market Share				
Imports	25.3%	28.9%	30.8%	31.5%
Foreign Production	29.7	34.6	40.7	41.6
U.S. Production	70.3	65.4	59.3	58.4

‡ In millions † Estimate Source: Salomon Brothers

Men and Matters

Whitehall chooses slimmer figures

The harsh words exchanged in Blackpool this week are being matched by a behind-the-scenes row between the Employment Department and Incomes Data Services, the independent research group.

The point at issue is whether Whitehall can be fairly said to be re-writing history.

What is not in dispute is that the department has revised past unemployment figures, dating back to 1971, to bring them into line with current statistics.

According to IDS, however, since 1979 there have been 13 separate changes in the way that unemployment is counted. The net result is a significantly lower overall total.

By applying these changes retrospectively to statistics for the past 14 years, IDS says, the published series, "can no longer be used as a guide to actual levels of unemployment in any valid sense."

"Unfair" cries the department. The changes, it argues, have been made purely to provide a proper comparison and have, in fact, combined to make current figures look worse by widening the gap between them and the total of past years.

Besides this, says the department in a voice to console unbelievers, the original unrevised statistics will still be obtainable.

The department adds, "Unlike some other countries we do not actually re-write history. We do not destroy earlier series of information."

And there the matter rests.

Blackpool tie

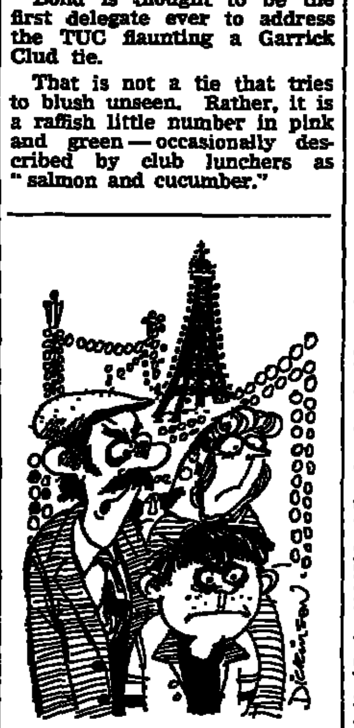
Contrasting dress styles seen at the TUC speakers' rostrum in Blackpool this week are useful non-verbal indicators of political positions—even before a word is heard.

Among the men it broadly splits into the no-tie wing and the tie wing.

It fell to a member of the tie-wearing tendency, Derek Bond, president of Equity, the actors' union, to introduce a refreshing change from all those dreary trade union ties with logos of railway wheels and other signs of true toil prominent across the front.

Bond is thought to be the first delegate ever to address the TUC flaunting a Garrick Clud tie.

That is not a tie that tries to blush unseen. Rather, it is a raffish little number in pink and green — occasionally described by club lunchers as "salmon and cucumber."



"I'm warning you, if the EETPU see you pulling that face, they'll switch off the illuminations"

Another trade union leader, Geoffrey Drain, now retired from the secretaryship of NALGO, happens to be the chairman of that flagship of St James's clubland — the Reform Club.

Drain would not have advertised the fact by his neckwear at a TUC congress. Reform Club members see themselves as too important to need a distinguishing tie.

Strauss's waltz

WITH the pomp and circumstance of a ruling monarch, Bavarian premier Franz Josef Strauss celebrates his seventieth birthday this week secure as ever in his role as West Germany's most colourful politician.

Ten days of festivities await the outspoken Strauss, whose leadership of the right-wing Christian Social Union (CSU)—second largest party in Bonn's coalition government — has assured him of influence far beyond Bavaria's state border.

Dubbed the grandest pageant since the days of the Bavarian monarchy, the "birthday party" is set to last until September 14, when the CSU has invited 3,500 citizens to meet Strauss in the gardens of Munich's Residenz.

The Residenz, palatial home to Bavaria's royal rulers until their abdication in 1918, will also be the scene—on Friday September 6, Strauss's actual birthday—of a touch of irony rare in West German politics.

For instead of Strauss travelling to Bonn for an audience with President Richard von Weizsaecker or Chancellor Helmut Kohl, the two most important men the land will travel south to a reception in Munich and an audience with him.

He has uncompromising right-wing views—often voiced with belligerence and acid sarcasm—that have earned him the image of a demagogue and kept him one step short of the pinnacles of power.

Except, that is, in Bavaria, West Germany's biggest state and the seemingly impregnable stronghold from where he hurls outspoken criticism at friend and foe alike in Bonn.

Lady in the know

The tribulations of reporting from Tokyo have been reported in this column before.

Only last week, Carla Rapoport, our woman in Tokyo, was banned from a Press conference at the Tokyo stock exchange at which it announced that it was expanding its membership and inviting foreigners to buy seats for the first time. She was told that the conference room wasn't large enough to hold both foreign reporters and the Tokyo stock exchange's own Japanese Press club members.

It seems, however, that our complaints have reached exalted ears. Thanks to intensive lobbying by top foreign ministry executives, Japan's newspaper editors and publishers' association this week agreed to revise their guidelines and encourage the Japanese-only Press clubs to allow foreigners into their regular off-the-record briefings by top government officials.

Foreign Minister Shintaro Abe gave the news to selected foreign correspondents yesterday, offering his own personal congratulations on the breakthrough which had been sought by foreign reporters in Tokyo for more than 20 years.

Writing risks

Royal Bank of Scotland has certainly trained the operators at its new high-tech, over-the-phone, motor insurance company to be sensitive to callers' concerns. As the first UK bank to brave the stormy waters of insurance that is just as well.

When a colleague called the Croydon centre to test its claim to offer competitive rates, he was quoted a discount of over £50 on his present motor policy.

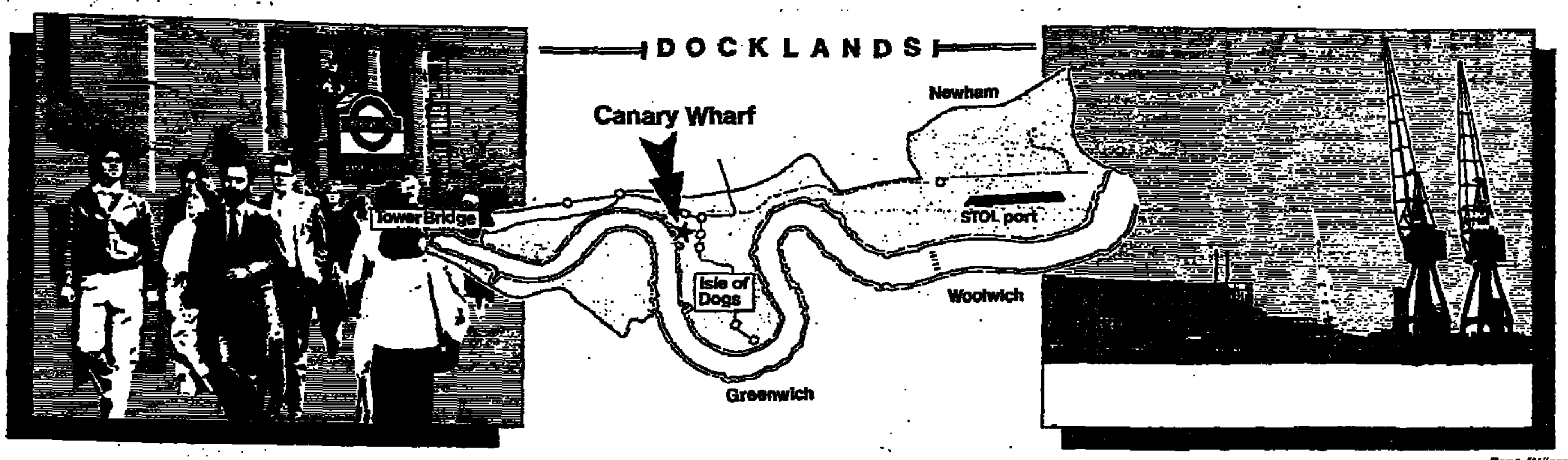
Taking his astonished gasp for a sign of dismay, the young lady hastened to console him: "It may be a bit higher than you expect. But that's because you are a journalist."

Observer

BASE LENDING RATES

A.B.N. Bank	11½%
Allied Dunbar & Co.	11½%
Allied Irish Bank	11½%
American Express Bk.	11½%
Henry Ansbacher	11½%
Amro Bank	11½%
Associates Cap. Corp.	12 %
Banco de Bilbao	11½%
Bank Hapoalim	11½%
BCCI	11½%
Bank of Ireland	11½%
Bank of Cyprus	11½%
Bank of India	11½%
Bank of Scotland	11½%
Banque Belge Ltd.	11½%
Barclays Bank	11½%
Beneficial Trust Ltd.	12½%
Brit. Bank of Mid. East	11½%
■ Brown Shipley	11½%
CL Bank Nederland	11½%
Canada Permanent	11½%
Cayzer Ltd.	11½%
Cedar Holdings	12 %
■ Charterhouse Japhet	11½%
Choulartons**	
Citibank NA	11½%
Citibank Savings	¶12½%
City Merchants Bank	11½%
Clydesdale Bank	11½%
C. E. Coates & Co. Ltd.	12 %
Comm. Bk. N. East	11½%
Consolidated Credits	11½%
Continental Trust Ltd.	11½%
Co-operative Bank	11½%
The Cyprus Popular Bk.	11½%
Duncan Lawrie	11½%
E. T. Trust	12 %
Exeter Trust Ltd.	12 %
Financial & Gen. Sec.	11½%
First Nat. Fin. Corp.	13 %
First Nat. Secs. Ltd.	13 %
■ Robert Fleming & Co.	11½%
Robert Fraser & Ptns.	12½%
Grindlays Bank	‡11½%
■ Guinness Mahon	11½%
■ Hambros Bank	11½%
Heritable & Gen. Trust	11½%
■ Hill Samuel	§11½%
C. Hoare & Co.	11½%
Hongkong & Shanghai	11½%
Johnson Matthey Bkrs.	11½%
Knowsley & Co. Ltd.	12 %
Lloyds Bank	11½%
Edward Manson & Co.	12½%
Meghraj & Sons Ltd.	11½%
Midland Bank	11½%
■ Morgan Grenfell	11½%
Mount Credit Corp. Ltd.	11½%
National Bk. of Kuwait	11½%
National Girobank	11½%
National Westminster	11½%
Northern Bank Ltd.	11½%
Norwich Gen. Trust	11½%
People's Trust	12½%
PK Finans. Intl. (UK)	12 %
Provincial Trust Ltd.	12½%
R. Raphael & Sons	11½%
Roxburghe Guarantee	12 %
Royal Bank of Scotland	11½%
Royal Trust Co. Canada	11½%
■ J. Henry Schroder Wagg	11½%
Standard Chartered	‖11½%
TCB	11½%
Trustee Savings Bank	11½%
United Bank of Kuwait	11½%
United Mizrahi Bank	11½%
Westpac Banking Corp.	11½%
Whiteaway Laidlaw	12 %
Williams & Glyn's	11½%
Yorkshire Bank	11½%

■ Members of the Accepting Houses Committee.
* 7-day deposits 8.00%, 1 month 8.50%. Top Tier—£2,500+ at 3 monthly notice 11.25%. At call when £10,000+ remains deposited.
‡ Call deposits £1,000 and over 8% gross.
‖ 21-day deposits over £1,000 9.25%.
¶ Mortgage base rate.
** See Provincial Trust Ltd.
§ Demand deposits 8%.



Dane Wilson

UK financial services

Why new banks may appear on the Thames

By Michael Cassell, Property Correspondent

OFFICERS of the London Docklands Development Corporation are this week eagerly taking their first look at a £1.5bn blueprint designed to recreate part of the City of London on the edge of Poplar High Street.

Even two years ago, the plan to establish a "mini-Square Mile" on the Isle of Dogs in London's east end would have been dismissed as highly fanciful and downright foolish. But the idea that big names in the international financial community might foresake the ancient streets of the Square Mile for the West India Docks is no longer a subject for casual amusement.

The proposals, put forward by a consortium of U.S. investment banks, represent perhaps the most crucial test yet in assessing the full potential for docklands—over 8.5 square miles of post-war dereliction and decay which are now being brought back to life in Europe's largest urban redevelopment programme.

Under the direction of the LDDC, the revival of docklands has suddenly taken major strides forward. Since it was formed in 1981, the Corporation has seen the arrival of over 200 companies, the completion of 2m sq ft of commercial floorspace and the completed or planned construction of nearly 10,000 homes. Private investment is edging towards £1bn a year.

But one of the last remaining areas in which docklands has yet to prove itself is in its ability to provide a feasible and attractive overflow location specifically for the City. Until recently, there have been virtually no signs that it was succeeding, either in encouraging institutions to fund City-oriented projects or in convincing traditional City occupiers to move to the docks.

Now, however, the large-scale restructuring of the financial services sector has created an overnight demand for a new generation of office accommodation. The City of London, caught off balance by the speed of the revolution and determined to resist any development which threatens its architectural heritage, has so far been unwilling or unable to respond.

With integrated financial services groups demanding ultra-modern space capable of accommodating the latest in communications technology and measured in hundreds of thousands of square feet, the City office market has let them down. This year, the largest City office building due for completion offers just 51,000 sq ft and names like American Express and Security Pacific are snapping up space in major developments which are not even due for completion for another year or more.

Other financial groups like Merrill Lynch, Citicorp and Goldman Sachs appear to be engaged in a continuous hunt for the type of floorspace capable of housing their expanding operations. No sooner has space been secured than the search begins for more accommodation. Increasingly, the evidence suggests that occupiers will settle for a less central location if they can get floorspace of the right type and quality.

Until now, few financial groups have included docklands on the list of options, although it is known that Chase Manhattan, for example, took a close look at the area before deciding it was not prepared to play pioneer and preferred instead to locate its new operations centre at Bournemouth.

There have been one or two limited "defections." The Stock Exchange itself is having a new building developed on the Isle of Dogs which will accommodate some of its back-up operations while the London Commodity Exchange is moving just over the City boundary to establish two new market trading floors next to the World Trade Centre at St Katharine's Dock.

But the consortium proposals for Canary Wharf in the Isle of Dogs enterprise zone have brought to a head the debate on the merits and disadvantages of locating there. Mr Reg Ward, chief executive of the LDDC, says: "The plan represents a major watershed in the docklands' development programme. The outcome of this particular initiative will have major consequences for the entire area."

The ambitious plan involves the development of up to 8m sq ft of office accommodation (the Square Mile has 55m sq ft of office space) on a 71-acre dockside site which, if transported to the City, would stretch from the Bank of England to St Paul's Cathedral. Up to 40,000 people could be directly employed in the new financial centre.

Morgan Stanley International, Credit Suisse First Boston and First Boston Real Estate devised the plan after a four-year-long fruitless search for suitable space within the City boundary. Mr Jack Hennessy, group chief executive at Credit Suisse First Boston, says the plan represents an answer to the chronic shortage of City floorspace needed to house international securities operations.

The consortium members will need to convince the LDDC that other financial groups will join them in taking space in the centre and Mr Hennessy says the scale of the response has vindicated the consortium's initiative: "We have talked to the majority of the companies currently seeking 7m sq ft of office space in the City and, together with our own requirements, can already talk in terms of filling 2m sq ft of floorspace at Canary Wharf."

If the Corporation approves the plans, the first 2m sq ft phase could be under way in the new year. Accommodation costs are expected to run at half the levels of those in the City, not least because of the initial rate-free status extended to enterprise zone occupants.

But despite the rising pressures within the financial community for modern floorspace, many people remain to be convinced about the Canary Wharf scheme itself and the attractions of docklands as an extension to the City.

Stuart Tarrant, chief financial officer for Standard Chartered Banks, says docklands will only work "if the big players lead the way." He adds: "Someone has to make the first move and the Morgan Stanley consortium could get the ball rolling.

A senior executive with a major U.S. bank in London believes Docklands is geographically well suited for back-office business but doubts if it could ever provide a home for market trading operations: "Dealers need to be able to walk to the corner pub and chat with colleagues in order to keep their market intelligence up to date. The only chance for success in the docks will be if several big firms make the move. There is comfort in numbers."

Docklands' biggest potential drawback in the eyes of potential occupiers is communications, or lack of them. The LDDC has undoubtedly engineered major coups in securing the go-ahead for the docklands light railway, which in 1987 will link the area to the London underground system, and for STOLport, the airport planned for the Royal Docks. Fully aware of the need to improve transport infrastructure still further, the Corporation will this November present a Bill to parliament seeking approval to extend the light railway eastwards to the new airport.

According to Mr Christopher Benson, chairman of the Corporation: "We are acutely aware of the doubts over transport links. Thousands of commuters travel into the City from the east of London and we have to make it possible for them to get into docklands to work while we also have to ensure excellent links into the City. We are making enormous progress in this respect and people finally recognise the fact."

Mr Benson believes the institutions are now beginning to take docklands seriously and that a wave of investment could be around the corner. "A lot of funds are now talking about the principle of investing in offices here, although there is still little actual cash on the table. They have been spoiled for investment opportunities in the past and will need to be wooed.

The change of attitudes towards docklands among the institutions is confirmed by Mr Michael Mallinson, joint chief surveyor at Prudential Assurance: "There has been a marked change of sentiment in the last year. We could see the attractions of docklands as a residential market but were very sceptical about its commercial potential. Plans like those put together by Morgan Stanley and Credit Suisse will have a major impact on thinking, although we are still wary of the communications problems."

The Prudential will not yet confirm it, but Britain's largest insurance group appears ready to earmark funds for its first docklands office development. The decision would, like the Canary Wharf proposals, represent a major boost in the propaganda battle now being waged to overcome the lingering uncertainties over the area's future. The day the Square Mile extends beyond Whitechapel and Wapping to the West India Docks is the day those doubts should finally die.

Lombard

A level field for some

By John Plender

LIBERALISATION has transformed the housing finance market in Britain. With building societies writing letters to their customers begging them to borrow more, the proposition is self evident. And since Mr Nigel Lawson decided to put the banks and the building societies on the same fiscal footing we also have what the bankers like to call a level playing field. The problem, to judge by this week's events, is getting access to the pitch.

Definitely on the field is Britain's biggest building society, the Halifax, which on Monday announced a £150m note issue in the Eurobond market. This route to the international wholesale market was opened up in the last budget, which permitted building societies to pay interest gross to overseas investors from next year.

The rationale for the Halifax is that access to wholesale money gives flexibility on the deposit side of the balance sheet, helping it to compete not just with the clearing banks, but with foreign banks and even life assurance companies.

Off the field, and out of sorts, after an (allegedly genteel) argument with the referee, is Britain's biggest accepting house Kleinwort Benson. On Tuesday it declared that it had shelved plans to offer mortgages to finance its customers' consumer spending, following discussions with the Bank of England. Its scheme was in breach of a 1982 Bank directive requiring banks to restrict their mortgages to the purchase or improvement of residential property.

Why was a leading merchant bank, traditionally more at home in wholesale finance, anxious to plunge into retail banking? And why all the bother when everyone knows that a call to, say, the Bristol and West or indeed almost any American bank in London would provide what Kleinwort was no longer proposing to offer?

The first question is the easier of the two. The fact is that some British consumers are exceptionally unsophisticated in the way they finance their spending on everything except houses. After the government-subsidised house price spiral of the 1970s the average home owner has considerable equity in the property: the value of the housing stock is reckoned to be around £450bn, while the associated mortgages amount to little more than £100bn.

There is thus plenty of unused security for further borrowing. Yet this week's official figures for consumer credit, which is exorbitantly expensive, show that consumer debt is hitting record levels. For any bank not in the consumer credit business, educating the British home owner to borrow less exorbitantly looks like the business opportunity of the decade.

But the merchant banker's honeypot is, to mix the metaphors further, the central banker's hole in the monetary dike. If all those homeowners exploited their borrowing capacity to the full, officials ask, what price another Barber boom? So the Bank of England's public position is, in effect, that merchant banks can make as much money as they like introducing building societies to all the exotica of the Euromarkets; but actually competing with the societies is off-limits.

A curious line, given that liberalisation was intended to introduce rationing by price and that it is virtually impossible to control the release of equity from the housing market anyway. The result is also inequitable. While the Bank may plead that the building societies are outside its supervisory bailiwick, the U.S. banks are not. These inconsistencies point to a more subtle explanation.

It seems doubtful that the Bank was protecting the clearing banks' profits—on past form it is more likely to do that by accident than design. More likely it objected to the very public way in which Kleinwort drew attention to a market anomaly whose elimination might pose a problem for officials. The lesson may be that discretion is the better part of mortgage banking and that loans are best sold through brokers and other intermediaries. And if, dear reader, you have persevered thus far, please forget that you have read this article. But don't let the Bank have you pay through the nose.

Letters to the Editor

Cash flow shortage

From Mr V. Underhill

Sir,—In your review of the Chapman Wong survey of small businesses September 3, the requirements to pay VAT and PAYE by the due dates is said to put at risk many small businesses.

For many companies there is a more fundamental reason for cash flow shortage. That is the practice of many companies who abuse their size and position to delay payment of debts due to suppliers of goods and services beyond a reasonable length of time.

If debts were paid in due time the cash to meet PAYE and VAT payments would in most cases be available, assuming the company is reasonably sound.

The Government is able to introduce legislation and penalties to enforce tax payments but most smaller companies do not have the power to force their debtors to pay up on time, for fear of losing future business.

V. Underhill.
Prestons,
Bagshot Road,
Chobham, Surrey.

Hitting the target

From Mr W. Grey.

Sir,—Samuel Brittan's Economic Viewpoint of August 22, commenting on the often wide but "intrinsic" gap between first published and finally revised GDP growth estimates as well as on the occasionally quite big discrepancies between different GDP measures, belatedly prompts a few random reflections.

Are not GDP forecasts painstakingly prepared to the nearest decimal point, and sometimes invidious comparisons between them, a shade supererogatory? Surely precision, or accuracy, to within half a percentage point, or at most a quarter, is about as much as anyone can legitimately demand, or can reasonably be expected to deliver.

What goes for GDP (and similar) forecasts goes equally, if not more so, for GDP targets, including Mr Brittan's own favourite, as he reminded us, of Nominal GDP. If first ("flash") GDP estimates are frequently wide of the mark, and firmer ones inevitably belated, a GDP target—than which you can not get any bigger—is more doubtful still.

Come to that, the reverence bestowed by some on monetary targets (not to speak of also often conflicting monetary measures) seems, with the possible exception of the narrowest (MO), a little excessive also. Or, like the pleasure of the chase, are those targets validated simply by (occasionally, and perhaps accidentally) being hit?

W. Grey,
12, Arden Road, N3.

Non proliferation negotiations

From Mr D. Lowry

Sir,—It is a pity that your newspaper with its excellent reputation for accuracy seems to have become so befuddled between the reportage of, and commentary upon, the nuclear non proliferation treaty (NPT) review conference. Your Diplomatic Editor in Geneva correctly stated (August 27) that there are 130 member states of the NPT, and continued to file clear stories through last week. Yet your editorial (August 27) cited only 124 NPT member states, and Ian Davidson (September 2) yet another inaccurate figure of 128.

Mr Davidson's article on nuclear tests also confuses his history in describing the Soviet Union's announcement of a moratorium on such tests as "cynical propaganda." While admitting that halting nuclear testing is not equal to real nuclear arms reductions, it is a start. After all, you can't start moving backwards before first stopping running forward.

For the record, following the breakdown of the tripartite U.S., USSR, UK negotiations (1977-80) on a comprehensive nuclear test ban treaty (CTBT), Mrs Thatcher said in Harrogate on March 27 1982: "Negotiations for a CTBT are going, alas, far too slowly and should be speeded up and completed."

On July 19 1982, President Reagan announced that the U.S. would not resume the CTBT negotiations. The UK Government fell into line with the new U.S. position, something not unrelated to the aid given by the U.S. to Britain during the Falklands War that came between the two statements.

The reiteration last week in Geneva by A. M. Petrosyants for the USSR of the Soviet moratorium offer followed upon earlier attempts by the Soviet Union, on February 26 and April 17 this year, to reinvigorate moves towards negotiations for a CTBT. In this they are supported by Dr David Owen, and James Callaghan, both well experienced staunch NATO supporters, and by Dr Glenn T. Seaborg, former chairman of the U.S. Atomic Energy Commission, and Senators Edward Kennedy (Democrat) and Charles Mathias (Republican) with Congressional legislation this year.

The final Soviet offer made on July 31 of a unilateral moratorium came in utter frustration at the intransigence of a blinkered U.S. administration that clearly wants to sustain the nuclear arms race and not halt it.

Any arms control or disarmament initiative may be seen to have some propaganda value. But Mr Davidson fails to look beyond the propaganda to see the real substance. This is a pity indeed.

David Lowry,
European Proliferation
Information Centre
258 Pentonville Road, N1

Unelected leaders

From Mr P. O'Shea.

Sir,—In your leader "A victory for democracy" (August 29) you conclude that "it is an irony that Mr Kinnock has so far failed to democratise his own party and relies on the unions, representative or not, to keep his own militants in check." You are absolutely right.

But tell us, why do you pick on Mr Kinnock? The other party leaders were not elected by ballot of their members? Not one of our political parties is run democratically.

Let's be fair.

P. J. Pace O'Shea.
13, Westchester Drive, N.W.4

Defects in buildings

From Mr C. Skrzynski

Sir,—To enlarge on the correspondence about defects in buildings protection in France for the building owner during the first ten years in the life of a new building is achieved by a combination of various policies, principally dommage ouvrage, which is a first party policy to ensure that the building owner is indemnified without the delay of having to allocate liability between the various parties. Each of the latter, however, carries a compulsory liability cover and it is these covers which ultimately meet the loss.

In addition to the cost of the dommage ouvrage and liability policies must, of course, be added the cost of the technical control which is compulsory for most classes of commercial buildings.

The total of all these costs is in the region of 3 per cent upwards of project value, compared to which the decennial insurance now available in the UK carries a price-tag in the region of 1.2 per cent to 2 per cent; including technical control.

Charles W. Skrzynski.
203 Kings Road,
Reading, Berks.

Use the state schools

From Mr D. Mitchell

Sir,—Eric Short's article in Weekend (August 31) on the options available to parents of children at fee paying schools who face financial pressure, completely misses the obvious option. Place the child into the state system.

Too many parents, fooling themselves that their motives are educational and not social, use the cheque book as an alternative to proper parental care and interest.

The present state system in conjunction with a full and happy home life offers an overall education which today makes most private education the worst value for money anywhere.

David Mitchell.
Woodstock,
Ipswich Way,
Pettaugh,
Stowmarket,
Suffolk.

Phone-ins are essential

From Mr D. Damon

Sir,—I came down in the early hours of Saturday morning after presenting my late night 'phone-in on LBC and sat down to my usual indulgence, reading the FT before almost everyone else in the world, when a feeling close to the paranormal crept over me. Jonathan Sale was telling me (Private View, August 31) that 'phone-ins are not "important"—only a few hours before I had been telling a journalist doing research for a piece for an equally serious newspaper that 'phone-ins couldn't be considered educational or therapeutic, just entertainment. That's why people enjoy them."

Then I realise Mr Sale was trying to dismiss 'phone-ins as worthless; that, I think, is a mistake. It must be a hard land where this type of radio doesn't flourish, where there's no opportunity to speak out on issues and rumours, and know lots of people are going to hear what you have to say. On my programme that opportunity has been taken up by a cross-section ranging from bankers to ex-burglars; bright teenagers to bigoted elders and betters. They queue up to do it, hundreds of thousands listen.

'Phone-ins are simply honest, unfettered conversation. For a free society that isn't important. It's essential.

Daniel Damon,
London Broadcasting Co.
Gough Square, EC4.

FINANCIAL TIMES
Thursday September 5 1985

Chris Sherwell and Wong Sulong talk to Malaysia's confident Finance Minister

Daim charts a brave solitary course

MALAYSIA is flouting the unhappy experience of its neighbours and has rejected the cautious advice of economists and bankers alike with its dogged adherence to forecasts made earlier this year that its economy will grow by 5.6 per cent in 1985.

The chief architect of this policy is Mr Daim Zainuddin, Finance Minister, who has been given a virtual blank cheque to manage the economy from Dr Mahathir Mohamad, the Prime Minister. Mr Daim bases his surprising optimism on a hefty financial stimulus from the Government and an anticipated surge in private investment following a major liberalisation of tough foreign investment rules.

His bullishness stands in sharp contrast to the gloom spreading around Asia's other high performance economies – South Korea, Taiwan, Indonesia, Thailand, Singapore and Hong Kong. Neighbouring Singapore, whose economic fate is often linked to Malaysia's, expects zero or negative growth in 1985, for the first time in more than 20 years.

Economists and bankers in the region believe Malaysia will also suffer this year because of the slowdown in the U.S. economy which has hit the semiconductor industry, the fall in prices of Malaysia-produced commodities such as rubber, palm oil, tin and petroleum, and a slackening in construction in the face of an over-supplied property market.

Figures published recently by Bank Negara, the central bank, duly showed lower than expected 4.5 per cent growth in the first quarter of 1985, but foresaw an improvement later in the year.

This is widely doubted, but Mr Daim, a leading businessman before being catapaulted into the Finance Minister's chair 13 months ago, takes the opposite view and believes Malaysia can move against the trend. In particular, he points to the following:

- The Government has already injected M$3.2bn (U.S. $1.3bn) into the economy through the money market in the first seven months of this year. This policy says Mr Daim, will continue;
- Another M$1bn is available at concessionary rates from a special investment fund to be used in agriculture, manufacturing and tourism. Disbursement is to start soon;
- Public expenditure has been reined in so successfully that the Government still has M$18bn of its 1985 budget of M$29bn available to spend in the next four months;
- Further efforts are being made to push down high domestic interest rates. In June the Government secured a one-point reduction in base lending rate to 10.25 per cent, and also lowered statutory reserves for commercial banks;
- Government moves to boost the weak local stock market, treated sceptically abroad, will continue. Mr Daim says the market is an important barometer of confidence in the economy, and hints that the Government has more firepower in its arsenal. So far he has encouraged bank loans for share purchases, frozen new public listing, urged government investment agencies to buy actively in the market and even brought the securities industry watchdog agency under his control. The impact has been less than pronounced but this, he says, will take time;
- Private investment, especially by foreign interests, is expected to soar after Mr Daim's announcement in July allowing foreign investors to retain a majority equity stake in export-oriented or high-technology projects.

According to Mr Daim, the Government's industrial licensing authority has already approved M$2.7bn worth of projects in the first half of this year – up 57 per cent on the same period last year – and multinationals are responding to the latest initiatives.

Mr Daim says he wants to make the investment process easier. "Where an investor wants to invest, let him come in first and talk about rules later. We must not put obstacles in the way. Let him take the risk, set up his plant and make his money before we talk to him."

The audacious plan of action appears to mark a signficiant modification of the policy of the past three years, when the Malaysian Government's economic priorities were to reduce the deficit on the current account of the balance of payments and to limit the rising burden of external debt.

This involved stringent curbs on government development spending, especially by "off-budget" public sector agencies, reduced foreign borrowing and refinancing of existing external debt, estimated at M$37bn at the end of 1984. By last year, the current account deficit was successfully cut to M$4bn from close to M$8bn two years previously.

Mr Daim's emphasis on stimulating the economy through enhanced private sector activity appears to take advantage of the leeway given by this external improvement, but it is not likely to be without cost to the balance of payments. The Government, according to the Finance Minister, is now projecting current account deficits of M$5bn-M$7bn for both 1985 and 1986, although he insists things will remain under control.

The Government's commitment to private sector-led growth will be further underlined this month with the publication of its so-called "industrial master plan." It will spell out a comprehensive range of incentives for local and foreign investors in all industrial sectors, and will precede publication of Malaysia's Fifth Economic Plan for 1986-90 at the end of the year.

The plan will be the last and most important in the 20-year period of Malaysia's New Economic Policy, a cornerstone of government policy formulated in 1970 to "restructure" the country's ownership of wealth in favour of the dominant but economically weak Malay community.

Foreign investors have been deterred by this policy's complicated partnership requirements with local businessmen. But the policy has also increased Malay wealth and, in the more relaxed political atmosphere, Mr Daim appears now to be shifting its emphasis.

Previously, for example, governments pushed hard for increased Malay corporate ownership, sidestepping its impact on confidence among foreigners and local non-Malays. Now the Government believes full achievement of its objectives hinges on a revival of private investment.

The fact that this is happening under Dr Mahathir, one of the original promoters of the policy, may seem ironic, but there are new realities to contend with, as Mr Daim points out.

"The tendency of Japan to invest in its markets abroad is very dangerous for us," he says insistently. "We are part of a world market which is competing for foreign investment and is increasingly protectionist. We must make Malaysia even more attractive."

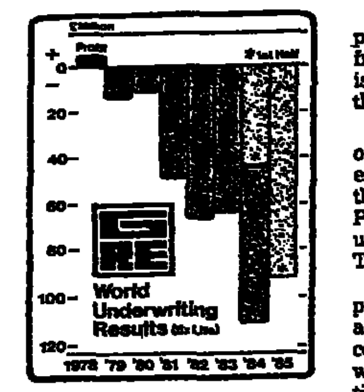
As Mr Daim has settled more securely in his job, scarcely a month has passed by without some important policy pronouncement or decision. Quietly self-confident and outwardly unassuming, he appears determined to try to conjure a shift in the Government's approach to economic management. He began this process with a large "supply side" tax cut in his first budget last October.

If his moves have attracted comment from local politicians as well as foreign bankers, judgment on them it as present being reserved. Some say he has little option but to do everything to prevent a recession at home, but Mr Daim is clearly putting his reputation, and that of the Prime Minister, on the line.

THE LEX COLUMN

No cover for the underwriters

After climbing so high on rather little volume, equities were sure to take pause before long. Yesterday the market was drifting even before it heard the sickening thud of composite insurance results. For the last couple of weeks performance-minded funds have been panting after hot takeover stocks in a rapidly thinning atmosphere, and perhaps a 7 point yield gap has started to make equities look over-stretched once more. A reopening of the rights issue sluices may be more than the market can currently stomach.



Insurance

Composite insurance may be one of the more exhaustively analysed bits of the UK equity market, but it can still pack a punch. Yesterday it was the turn of GRE and Sun Alliance, those blue chips in dividend growth, to report interim results rather below the pre-tax expectations of the stockbroking fraternity – by some £30m in the first case, by the difference between profit and loss in the second. GRE made exactly £800,000 before tax but, oddly, this belated election to the club of recovery stocks worked no magic for its share price, which shed 45p (to 685p) and with it a traditional yield discount to the sector. Sun Alliance, which lost £15m, had a softer landing 22p down at 475p.

Had the companies reported first-quarter results, the market might have been better prepared, or perhaps not. The usual round-up of Acts of God corralled cyclones in Fiji and shattered greenhouses in Niagara, but the fact is both companies are doing very poorly in their home market. It may well be that UK motorists now drive with their eyes closed and the weather is getting nastier, but it is the industry that continues to misrate the underwriting risk whether it is insuring cars (where GRE lost nearly £12m) or house structures (where Sun Alliance lost the best part of £25m).

Of course, rate increases are now coming through with a vengeance in the UK no less than in the U.S.: customers of GRE will probably end up paying a quarter as much again in motor premiums by the end of the year. Provided the industry holds together, there should be no loss of volume greater than in the first half, where both GRE and Sun Alliance pushed up their underlying premium income (their rates, in other words) by 18 per cent; and that should relieve cash-flow pressure on investment income, which was further depressed at Sun Alliance by £27m in funding costs for the purchase of Phoenix.

But before the market starts assessing their recovery potential against the big U.S.-based composites, it will need to recover itself from yesterday's shock. This may take longer with GRE, which has suffered a dent in its reputation not least as a manager of risk in the U.S., where it lost over £18m underwriting in an improving market. But at least, neither company has any scruples about uncovered dividends.

P & O

There was nothing reprehensible about the way in which P & O laid out its interim results yesterday but the presentation – and interpretation – hardly gave the impression of a group striving for the most conservative accounting treatment.

Given the personalities involved, the recent level of the share price and the difficulty of extracting consistent organic growth from the residual shipping interests, it would be surprising if P & O were not contemplating the use of its paper for acquisition. Yesterday's results will have done any such ambitions no harm at all. The shares jumped 23p to 421p.

The half year profits – up 83 per cent to £58.5m pre-tax on a merger accounting basis – have benefited substantially from the disposal of lossmaking and underperforming assets. The writedown on the bulk carrier fleet has also helped, reducing the depreciation charge by around £3m, while the high cost of financing the Royal Princess has been disguised by shifting the segmental analysis from a pre-tax to a pre-interest basis.

There is no doubt that P & O has produced higher underlying returns from the managed businesses but it is not easy to measure the extent of the improvement.

So long as aggregate profits carry on rising, the market may not bother too much about exactly where they come from. The best way for P&O to ensure that they do continue upwards may be a bid for Ocean Transport and Trading.

Full year profits of around £120m pre-tax would leave P&O shares on a multiple of around 14 times, so it could bid up a fair distance for OTT without attracting earnings dilution. And, with its own equity trading 50 per cent above net asset value, P&O would need to pay a fancy price indeed before it suffered any dilution of assets.

BICC

Inactivity is the last complaint that anyone could bring against the BICC share price; this week it seems to move one way or the other by a daily 10 per cent. Yet the half year statement – showing pre-tax profits up by £0.1m from last year's £42.5m – contains little that should have caught the market off its guard; shocks from computer components were there to be anticipated, and so were the favourable effects of last year's extensive pruning in Canada and the UK cable business.

To BICC's credit, however, its important Australian business performed well enough to show higher profits even on translation – which is more than the market had any right to expect. By and large, moreover, the new BICC management appears to be convincing the City that it will get increasing returns from tighter control, along lines that became the bread and butter of many other managements in the depths of recession three or four years ago.

In addition, the efforts to generate more profit in the UK have started to soak up the ACT backlog, dropping the effective tax rate and giving some scope to increase earnings rather faster than operating profit; it is a pity that any dividend increase would sabotage this piece of tax planning. Though BICC was probably cheap in the summer doldrums, when the shares were yielding 8 per cent, at 220p and 7 per cent that undervaluation is no longer quite so obvious; signs of long-term growth in BICC's main markets are sparse.

P&O beats forecasts with £58m profit

By Frank Kane in London

FAR BETTER than expected pre-tax profits for the six months to the end of June were announced yesterday by Peninsular & Oriental Steam Navigation (P & O), one of Britain's biggest shipping companies, in its first set of results since the merger with Sterling Guarantee Trust (SGT), the property services group, which was completed in February.

The £58.5m ($80m) total was well above even the most optimistic of forecasts in the City of London, which had suggested a taxable figure of around £50m, and brought a 23p rise in the share price which closed at 421p.

It compares with £32m for the same period of 1984, restated to provide an "exactly comparable basis," according to Sir Jeffrey Sterling, chairman. Sir Jeffrey, who masterminded the linkup between P & O and his Sterling Guarantee Trust, said the result represented "good progress."

The container and bulk shipping division, which contains the 47 per cent interest in Overseas Containers (OCL), was the star performer in the half-year, with OCL itself lifting operating profits by £8m to £17.9m. The passenger services side made £6.2m, most of which came from the Royal Princess liner.

None the less, Sir Jeffrey warned that the "cruising investment as a whole continues to be unacceptable in a difficult market."

A large part of P&O's business is in the "fly-cruise" market, where passengers made one of the legs of the journey by aircraft. This had been hit, especially in the Mediterranean, by the Athens hijacking and the string of air disasters, which in particular had deterred U.S. customers.

OCL was beginning to feel the effects of new tonnage competing in the shipping market and the resultant pressure on freight rates, but it would be cost effective and there would not be a tremendous effect on P&O in the second half. Sir Jeffrey said he believed that overall the group would have "a satisfactory second half." In the City, the expectation now is for a full-year profit of around £124m.

See Lex; Details, Page 18

UK unions to seek accord with Labour Party on pay policy

BY JOHN LLOYD, INDUSTRIAL EDITOR, IN BLACKPOOL

LEADERS OF Britain's Trades Union Congress (TUC) yesterday agreed to lay the foundations of a framework for planning incomes policy with a future Labour government.

Mr Norman Willis, the TUC general secretary, recovering some of his faltering authority, moved the acceptance of a "partnership" with a Labour government by saying that pay would be "unavoidably" on the agenda of talks between unions and a labour administration.

The debate within the labour movement on incomes policy versus free collective bargaining is not dead but a series of debates at the TUC's annual conference in Blackpool gave Labour Party leaders as much commitment as they could reasonably hope for at least two years before an election.

A motion which called for a national minimum wage was also passed, committing the TUC to this for the first time. Mr Larry Smith, the Transport and General Workers' executive officer, said that to make it legally enforceable would be "a foot in the door for the incomes policy fanatics" – but Mr Alec Smith, general secretary of the Tailor and Garment Workers, forecast that TUC policy would include statutory backing by next year.

Mr David Basnett, chairman of the TUC's economic committee, stressed support for incomes planning when he said that "the agreements and the bargains we will make will determine whether and when we end mass unemployment. When we restore industry to health, when we revive our economy. If all these factors are subject to planning from the government ... then from the trade union movement let us say income determination must have its place in that process of agreed planning."

Mr Alan Tuffin, general secretary of the Union of Communications Workers, successfully moving a composite resolution calling for support of free collective bargaining "within a framework of a planned and agreed economic strategy" said that by making unemployment a priority "it will mean sacrifices for us and our members.

"We must retain the right to bargain freely, but we must try and do it in an agreed way within an agreed economic strategy with a new Labour government."

Mr Willis' speech was prefaced by warm applause and concluded by a standing ovation. The congress – as Mr Jack Eccles, its chairman, acknowledged – was giving pointed support to a man whose public performances have been under attack by general council members and delegates.

Meanwhile intensive efforts were being made last night to avoid a major split in Britain's trade union movement over the Conservative Government's employment legislation.

The TUC's general council was seeking a compromise with the Amalgamated Union of Engineering workers over the AUEW's rejection of a TUC demand that it desist from taking state aid to finance ballots of its membership.

Unions' South African link, Page 7

Nissan hopes to boost UK production

By Nick Garnett in Tokyo

NISSAN, the Japanese car maker, wants to expand output at its Washington, north-east England, plant beyond the 100,000 vehicle a year target planned for the second phase of the project.

The initial phase, which involves the assembly of 24,000 cars from knock-down kits, comes on stream next August.

Mr Kaichi Kanao, Nissan Motor vice-president who is responsible for the project, said in Tokyo that the company is maintaining its timetable for the site development and that the second phase decisions would be made in 1987, although he saw no serious problems that would prevent the higher production levels.

Nissan sold 103,400 cars in the UK last year for a 5.9 per cent market share. Vehicles made under phase two, which will have a British component content of between 60 and 80 per cent, will be classed as UK made.

The company also indicated strongly yesterday that once it formally decides to go ahead with phase two, it will seek an agreement with the UK Government to exclude some or all of the 24,000 vehicles built yearly under phase one from its import quota while phase two is being built.

At the moment phase one production will be included within the overall allowed Japanese car import figure.

Mr Kanao said more than 10 UK component makers were now in detailed discussion with Japanese component makers on some form of technical agreement. A number of UK component suppliers have also told Nissan that they intend to set up production sites close to the Washington plant.

- Nissan also expects to sell 3,000 vans from its Spanish subsidiary in Britain next year.

It will be the first time Spanish commercial vehicles have entered the UK in substantial numbers and will be bound to spark new life in the row about the severe imbalance in motor industry trade between the two countries.

Nissan wants to produce cars in Spain, Page 16

Paris pumps FFr 2.8bn more into cable TV

Continued from Page 1

had already been spent on the programme.

The project has caused considerable debate because of the Government and the post and telecommunication authority's decision to opt for a massive optical-fibre programme. The Government regards that as a strategic choice, although optical fibres are much more expensive than conventional coaxial copper wiring.

To underline the commitment to optical fibres, M Mexandeau said yesterday that he wanted to see the share of optical fibre increase in the initial stages of the cable programme.

Lack of optical-fibre capacity has meant that about half the French programme has so far involved conventional coaxial cables. But with the development of the domestic optical-fibre industry, that percentage of coaxial cables should decline.

De Kock pledges aid for S. African banks

Continued from Page 1

ers' acceptances falling due for payment.

"Obviously we cannot go as far as to make a big hole in our net because the purpose of a standstill is to have a standstill. But as far as possible we will, in co-operation with banks, try and keep everything running smoothly. We do not want to cause any embarrassment or practical problems for any banking group."

Dr de Kock said he was aware of the rumours of problems at South African bank branches in both New York and London, which arose during the closure of the Johannesburg foreign exchange markets, but added: "My understanding is that these difficulties have been largely if not entirely resolved."

He confirmed that the decision to impose the four-month moratorium was taken on August 27 in response to concern that the decision of "two or three" U.S. banking groups not to roll over maturing short-term credits. However, he said that his meetings with U.S. bankers and officials during the last few days had focused on the practical implications

He emphasised that South Africa was not seeking additional new credits and insisted that the South African economy remained strong.

Dr de Kock added that he now planned to meet bankers in Europe and would seek to form a working group to help to plan an orderly rescheduling of South Africa's debts. He said South Africa had not yet decided who should lead the group but added that he would seek "a merchant bank or an individual financial expert in Europe" to assist in the rescheduling negotiations.

Speaking in Vienna, Dr Meyer of the Swiss National Bank said that South Africa's current difficulties were not comparable to those of developing countries and that its problems were entirely political. South Africa, he said, "was not facing a currency crisis but a political crisis that had spread to the currency area."

World Weather

		°C	°F
Ajaccio	S	25	77
Akrotiri	S	29	84
Algiers	S	29	84
Amsterdam	C	15	59
Athens	S	31	88
Bahrain	S	38	100
Bangkok	S	33	91
Barcelona	—	—	—
Beirut	S	31	88
Belgrade	R	14	57
Berlin	C	17	63
Biarritz	S	22	72
Blackpool	C	12	54
Bordeaux	F	21	70
Brussels	C	16	61
Budapest	C	20	68
B. Aires	S	18	64
Cairo	S	33	91
Cape Town	S	19	66
Caracas	R	27	81
Casablanca	—	—	—
Copenhagen	F	16	61
Corfu	S	29	84
Dublin	R	11	52
Dubrovnik	S	26	79
Faro	S	26	79
Florence	S	27	81
Frankfurt	C	19	66
Funchal	S	24	75
Geneva	S	18	64
Gibraltar	C	22	72
Guernsey	C	15	59
Helsinki	R	15	59
H. Kong	S	33	91
Innsbruck	F	19	66
Inverness	S	12	54
Istanbul	S	26	79
Jersey	C	15	59
Jo'burg	S	22	72
Las Palmas	C	29	84
Lima	C	14	57
Lisbon	S	28	82
Locarno	—	—	—
London	C	15	59
Los Angeles	C	22	72
Luxembourg	C	13	55
Madrid	S	29	84
Majorca	S	29	84
Malaga	S	26	79
Malta	S	31	88
Manila	S	32	90
Miami	R	30	86
Milan	S	28	82
Moscow	S	21	70
Munich	—	—	—
Nairobi	F	23	73
Naples	F	27	81
New Delhi	S	36	97
New York	C	30	86
Nice	S	26	79
Oporto	S	23	73
Oslo	F	15	59
Paris	C	18	64
Prague	R	15	59
Reykjavik	S	9	48
Rio de J'o	S	21	70
Rome	S	29	84
Salzburg	F	16	61
Seoul	C	26	79
Singapore	C	31	88
Stockholm	C	15	59
Strasbourg	C	17	63
Sydney	S	18	64
Taipei	S	32	90
Tangier	S	27	81
Tehran	—	—	—
Tel Aviv	S	27	81
Tenerife	F	29	84
Tokyo	S	31	88
Toronto	C	28	82
Tunis	S	36	97
Valencia	C	26	79
Venice	S	23	73
Vienna	S	20	68
Warsaw	F	17	63
Zurich	F	16	61

Readings at mid-day yesterday.

C–Cloudy D–Drizzle F–Fair Fg–Fog R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

Unitary tax bill may fail

Continued from Page 1

achieved in two ways: by a rule change to allow the bill to be debated again; or by inserting the bill as an amendment to tax legislation already passed, avoiding another committee hearing. It would, however, have to be voted on in the assembly.

To overcome opposition from U.S. companies which claimed they would be unfairly taxed, an earlier amendment to the bill gave tax relief on 57 per cent of all foreign dividends provided they were reinvested in California.

That, however, proved insufficient to overcome the objections of some U.S. companies, and on Tuesday the committee divided equally with one Republican abstention over a proposal by the committee's chairman to exclude foreign dividends altogether from the tax within three years.

Many liberal Democrats had never come to terms with the bill, which it was estimated could cost the state up to $300m a year in lost tax revenue.

An official at the California Tax Board was quoted last week as saying that a "substantial number" of companies were still refusing to pay tax assessed under the unitary method. Shell, IBM and Sony are among corporations which have been fighting court cases against it for several years.

Pöhl hints at cut in rates

Continued from Page 1

He pointed out that even a ½-percentage-point cut would be quite large in relation to the current level of interest rates in West Germany.

He said he believed some further decline of the dollar was necessary to help to correct the huge imbalance of the U.S. trade account and that at least some further rise of the D-Mark could be tolerated without a serious impact on German trade.

The decline in the dollar would ideally come about through more radical cuts in the U.S. budget deficit, which could allow lower domestic interest rates.

Investment Specialists

Scotland

As part of the continued development of our activities in the Scottish investment market, one of our consultants will be visiting Edinburgh and Glasgow during the week commencing 16th September. We would be pleased to hear from individuals and companies interested in discussing the investment recruitment market, either generally or in relation to specific requirements in Scotland or throughout the UK.

Please contact Sarah Gates on **01-404 5751** or write to her at The Investment Division, Michael Page City, 23 Southampton Place, London WC1A 2BP.

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JOBS COLUMN

Benefits of working on the lucrative fringe

BY MICHAEL DIXON

I HOPE readers not employed by London banks have returned from holiday in a pleasantly relaxed mood. *Otherwise their* blood pressure might be hoisted towards danger level by the following sketch of the prevailing state of perks in London banking, alias the "lucrative fringe" of employment in Britain.

The sketch is drawn from the latest survey by the Jonathan Wren recruitment consultancy. The study covered nearly 12,000 people employed in London by 54 banks — eight of the UK *merchant variety, four* consortium, seven American, and 35 international banks of other origins. Anyone wanting the full survey, should contact *Wren's Frank McGill* at 170 Bishopsgate, London EC2M 4LX; telephone 01-623 1266.

Top of the perks popularity league, of course, are schemes for help with *house-buying*.

Here the trend seems to be away from the banks themselves supplying loans at low interest. Only nine of the 54 surveyed restricted themselves to house-purchase schemes of that kind. In no fewer than 31, staff had to go out and get their loan from a building society or such-*like and be content with having* their employer merely subsidise the interest payments. But in a further 13, the staff had a choice of either kind of scheme. There was just one bank that offered no help with house-buying whatsoever.

In the other 53, the length of service required before employees became eligible for *assistance ranged from* six years down to six months. The least generous limited the capital sum to £24,000 or two and a half times salary, whichever was *the lower*. But the majority were less tightfisted, allowing four times the person's annual salary up to sums ranging from £50,000 to £100,000. The most common interest charge was 5 per cent.

Since the staff concerned have other things to buy besides houses, they also like to have the option of personal loans. While these were not available in five of the banks, including the one giving no help with house-purchase, the other 49 provided them.

To qualify, staff variously had to have served for between three months and a year. The *maximum loan* ranged *upwards* from £500 to a quarter of the person's salary. Again the most common interest charge was 5 per cent.

Then there is lunch, which costs money too of course. Help by way of a free or subsidised *canteen, luncheon vouchers* or cash allowances was given by all but three. This time the tightfisted did not include the bank providing neither housing assistance nor personal loans. It provided lunch vouchers of £1.15 daily. The vouchers given by others ranged downwards *from* £2 to *only* 40p a day, £1 being the most popular value. Cash allowances ranged from £165 to £650 a year.

As getting into work in London and back again is an expensive business, 53 of the 54 banks advanced interest-free loans to cover the travel. Two of them gave some modest subsidy as well. The odd one out supplied *season* tickets *to* all staff except those with a company car.

Besides that one, a further 44 issued cars. But these were uniformly restricted to fairly senior managers, and only ten banks paid *for even some of* the petrol used in non-business motoring. The nine which abstained from giving company cars included the one also *eschewing subsidised house*-buying and personal loans.

Even so, it was among the 47 banks providing private medical facilities both for staff and for their dependents. Another six gave the same solely to employees. Accident insurance mostly covering all staff was provided by 24, and 45 gave *long-term disability cover*. Pension schemes — in 39 cases non-contributory and in all but two including death-in-service and death-in-retirement benefits for dependants — were virtually universal. So were enhanced pay for overtime for staff up to middle management level, and *allowances* for those working shifts.

The standard *working* week was 35 hours in 50 of the banks, 36½ and 37½ respectively in two more and 32½ in another. The minimum holiday ranged from 18 working days at worst, through 20 in most cases, to 25 in two others and 30 in one.

Staff get paid salaries as well, of course. Although this particular survey by Wren does not state what the salaries are, *increases in 1984* ranged from 5 to 15 per cent with a similar range of rises expected this year. In addition, 37 of the 54 banks paid bonuses, six of them on a contractual basis.

Which is just about the lot. A *mere eight offered more* than the normal entitlement by way of maternity benefits. It is true that 30 provided certain other miscellaneous benefits. *But these were mostly* restricted to dribs and drabs such as sports club subscriptions and membership fees for professional bodies, although one bank had a save-as-you-earn share scheme, another gave grants towards the education of employees' children and a third provided "sauna facilities."

In case any reader is wondering what the employing organisations receive in return for the said fringe benefits, all I can say is that it evidently isn't a uniformly low rate of staff turnover.

The lowest for 1984 of 1 per cent and the highest of 35.6 per cent were *each recorded* by banks offering perks of pretty comparable generosity. The rate of the one which gave no help with house-purchase, personal loans or company cars was 12 per cent — which was still below the average of 15.6.

Recruiter

HEADHUNTER Barrie Pearson wants a fellow member of his trade to develop a new division *of the London-based recruit*ment consultancy, Livingstone Fisher and Associates, formed recently by the merger of Livingstone Corporate Services and H. W. Fisher Associates.

The main object of the planned *division* is to *recruit* financial management staff, with the emphasis on qualified accountants, for industrial and commercial companies.

Candidates should have been demonstrably successful in building up a headhunting operation of a similar kind. Those with an accountancy *qualification would have an ad*vantage. Provided applicants have the right sort of background and show the necessary determination, their age does not matter, Mr Pearson says.

Starting salary will be in the £25,000-£30,000 bracket. The perks will include a car.

Inquiries to Livingstone Fisher Associates, Acre House, 69-76 Long Acre, London WC2E 9JW; tel 01-240 6920 or 01-379 3461, telex 8953749.

Software

A BRACE of jobs with a British engineering group's computer-software subsidiary are being offered through recruiter Tony Nevile. As he may not name his client he promises that any applicant who so requests will not be identified to the employer at this stage.

The main specialism of the Wiltshire-based company is long-life software for big main-frame computer installations. Both recruits need experience in that field. One, who will have the title of business development executive will have a successful record on the sales and marketing side. The other, to be head of customer support, will have run a first-rate customer services operation.

Salary indicator for both posts is £25,000, plus bonuses on results. Cars among the other benefits.

Inquiries to Anthony Nevile International, 31 Castle Street, Farnham, Surrey GU9 7JB; tel 0252 711311 or 722685, telex 858902 Baron G.

BADENOCH & CLARK

INVESTMENT MANAGEMENT —BUSINESS DEVELOPMENT

c. £30,000 + Attractive Bonus

*An exciting opening has arisen within the Invest*ment Management arm of a leading International Securities House.

Our client wishes to recruit a high calibre Marketing Executive, who should have experience of marketing investment products to European and U.K. institutions, with a particular emphasis upon pension funds. Whilst fund management experience is not essential, applicants should have an appreciation of investment services, a proven track record of marketing to institutions and ideally a second European language. This position will also encompass a product development role, and could suit an ambitious institutional salesman with a firm of U.K. stockbrokers.

The envisaged age of the successful applicant is 28-34, and the highly competitive remuneration package will include a substantial performance related bonus.

For a confidential discussion of this position, please contact:
Christopher Lawless or **Stuart Clifford.**

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

FINANCE DIRECTOR

c£30,000 + Car + Benefits **London**

A key factor in the ongoing expansion of our client, a young, progressive, entrepreneurial and highly successful media and communications group, is the appointment of a dynamic, commercially alert and ambitious Finance Director.

As a member of the general management team, the successful candidate will assume total responsibility for all accounting, computing and administration matters. Particular emphasis is to be placed on the provision of strict financial control and guidance in the areas of expansion, acquisitions and a U.S.M. quotation.

Applications are invited from Graduate Chartered Accountants aged 32-38, who can demonstrate flair, line management expertise, an awareness of modern E.D.P. techniques, proven operating company experience and outstanding inter-personal skills. Previous sector exposure, although not essential, would be advantageous.

This unparalleled career opportunity, "full involvement in a fast moving and stimulating atmosphere", will be complemented by a very generous benefits package.

Please reply in confidence to Malcolm J. Hudson or John F. Hope.

HUDSON SHRIBMAN
The complete financial selection service
College Hill Chambers, 23 College Hill, London EC4R 2RT. Tel: 01-248 7851/8 (24 hours)

Fund Manager/Analyst

Move into ERISA Funds

The City mid twenties

An unusual and exciting opportunity exists for a Fund Manager or Analyst to move *into the International ERISA side of our client's business. The ERISA company* currently manages some $400m and is expanding. The person joining should be a *graduate and will possess knowledge of modern analytical and portfolio* management techniques together with a considerable personality. He/she will need *to fit into a small team which is dedicated to excellence. The team has a reputation for* being one of the most successful in the market.

The job calls for a person with two/four years' experience of the investment industry. There will be a travel element based initially on research work. The person joining will rapidly become involved in client work and in marketing in due course.

The Company is part of a major financial services group and there are considerable long-term prospects. In addition to a generous salary and profit share, there are the usual banking benefits.

Please reply in the first instance (quoting ref 678), to Caroline Magnus at Overton Shirley and Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

BADENOCH & CLARK

TAXATION OFFICERS INTERNATIONAL BANKING

To £25,000 + Banking Benefits

We have been exclusively retained by our client, a major International Bank with substantial worldwide interests, to recruit two dynamic and experienced graduate Chartered Accountants for challenging positions within their rapidly expanding taxation division.

The varied job content will include compliance, research and tax planning for the Bank's Head Office based in the City, and for their well established overseas divisions.

The selected individuals will have a minimum of five years pqe, gained either from a large firm of Chartered Accountants or from a multi-national Corporation, and must be thoroughly conversant with different aspects of UK and international tax legislation.

Extensive travel will be an important feature of these positions, and polished communication skills and the ability to deal directly with clients up to Board level are essential qualities.

This is a superb opportunity for young ambitious candidates seeking early responsibility in an exciting, fast moving environment.

Contact **Timothy Burrage** or **Rachel Caine.**

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

Major Investment Group

Private Client Fund Manager

Our Client, a major force in the Investment Scene, works through specialist Companies/Divisions across the full range of investment services including Pension Funds, International and Corporate Clients, Unit Trusts, Private Clients etc. In recent months they have announced various highly topical moves which will further strengthen their position.

They see Private Clients and Personal Portfolio Management as key development areas and they are currently seeking a person aged 26 to 35 to join their Private Client Department as Team Leader.

To date your background will have been on the Private Client side of a Stockbroker or in a similar role in a Merchant Bank. You will have a Degree or a Stock Exchange qualification and have at least three years' experience of investment. The generous remuneration package – to some extent negotiable – will include a participation in profits, company car, subsidised mortgage etc.

Please write to Keith Fisher, quoting ref. 676, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

Trainee Investment Analysts

Backed by a proven long term investment performance record, Provident Mutual funds under management now exceed £2 billion and are continuing to grow rapidly.

The Investment Department now has openings for ambitious graduates with some industrial or commercial experience to train as Investment Analysts. There are vacancies in both the UK and Overseas Equity teams.

The minimum requirements are a good degree, a willingness to work hard and an ability to get on with people. Preference would be likely to be given to those with degrees in economics, financial or scientific disciplines. Career prospects are good for chosen candidates.

An attractive salary is offered. Benefits include a non-contributory pension, and subsidised BUPA. Low cost mortgage facilities would be available after the completion of an agreed period of employment.

Please write giving age and details of qualifications and experience to:
Miss J.M. Eustice, Senior Personnel Assistant, Provident Mutual Life Assurance Association, 25/31 Moorgate, London EC2R 6BA.

PROVIDENT MUTUAL

Corporate Finance

£15,000 + benefits

Our client is a leading Merchant Bank with one of the most prestigious Corporate Finance divisions in the City.

They offer career development for numerate graduates with 1st-class honours degrees. A professional qualification and additional City experience would be an advantage.

Initially part of a team, working with major clients who include some of the best known names in British industry and several large multi-nationals, promotion will depend entirely on the speed with which the individual develops.

Please call 01-588 3535

Crone Corkill
RECRUITMENT CONSULTANTS
18 Eldon Street, London EC2

INTERNATIONAL BANKING

SENIOR CORPORATE DEALER to £30,000 + Bonus

Our client is a major international bank with ambitious plans for the size and scope of its treasury marketing activities. Planned expansion of both the dealing room and corporate dealing team has created a 'pioneer' management position. This has dual responsibility – firstly, for extending and deepening client relationships, and secondly developing a more professional team able to market and 'cross-sell' more effectively. Long term career prospects are excellent with further promotion likely.
Contact: Kevin Byrne

FUTURES TRADER 'Development' Rôle

Our client, well established in traditional dealing areas, is now expanding its treasury activity to include a broader range of financial instruments. As part of this expansion, there is an immediate opportunity for an ambitious Futures Trader (aged 25-35) to join at senior level, taking responsibility for development of futures, arbitrage and new products within an active dealing room. The rewards will be considerable for the successful candidate, both financially and in terms of career development.
Contact: Ken Anderson

DIRECTOR — CAPITAL MARKETS £ highly negotiable

A most challenging 'greenfield' situation within a very large international bank. Several senior appointments; in marketing, sales/distribution and other specialist areas will be made and successful appointees will be granted considerable freedom in their approach to the markets. Candidates from medium sized banks of good quality would find this environment particularly attractive.
Contact: Kevin Byrne

SENIOR EXECUTIVE CAPITAL MARKETS (RUFs/NIFs)

Our client is a prominent merchant bank on a major expansion drive, particularly with the Capital Markets. As a result of rapid growth, a Senior Manager is required to be responsible for a specialist group involved in RUFs and NIFs. Candidates are likely to be aged between 28 and 35 years, with considerable experience in the origination and placement of capital markets products together with strong managerial skills.
Contact: Leslie Squires

EUROBOND SALES A change of direction to £25,000

Two major banking institutions are expanding their Capital Markets Divisions. The first of these requires an experienced Bond Sales Executive to help in a 'start up' situation, although this does not necessarily imply a heavy commitment to cold calling. The second position provides a move into the Global custody area, marketing the bank's services in this new sector. Candidates should be aged late 20s, have sound marketing skills and be prepared to consider an unusual challenge. Both positions demand a self-starter but also carry the commitment of the organisation behind them.
Contact: Sarah Beaumont

UK FUND MANAGER to £30,000

Our client is the international investment arm of a prime US banking group, currently expanding its investment management services. The position involves full responsibility for an equity fund within the UK; experience in this area is a prerequisite. Candidates should be aged late 20s/early 30s and have a convincing track record of at least three years within this sector.
Contact: Sarah Beaumont

LEGAL COUNSEL to £30,000

Our client, a prominent City institution, wishes to appoint a Legal Counsel as a member of a small professional team, responsible for the administration and development of a financial market. This challenging role could provide an excellent career step into the financial markets for a Solicitor aged late 20s to mid 30s with at least two years experience within a financial area.
Contact: Leslie Squires

OPERATIONS MANAGEMENT to £26,000

Following recent internal promotion, the London branch of this major U.S. bank is currently recruiting at senior management level within the operations area. Working closely with the head of operations the position carries day-to-day responsibility for all aspects of Treasury, Securities and Customer Services. Suitable candidates will have banking experience and preferably a professional qualification, coupled with strong leadership qualities. Prospects for early promotion are excellent.
Contact: Felicity Hother

ACCOUNTANT FOR PROJECT FINANCE Excellent 'newly-qualified' opportunity c.£20,000

We are seeking a qualified Accountant to move into the Project Finance Division of a major American bank. The role initially involves providing support to the marketing team via financial modelling and analysis of various projects, but the longer term view is that of a full marketing career. Candidates must have an in depth knowledge of computer programming and modelling, but specific project finance experience is not essential. This would be an opportunity for a young qualified Accountant who wishes to move out of the profession.
Contact: Sarah Beaumont

ACCOUNTING MANAGER to £20,000

Our client is the British merchant banking subsidiary of a large U.S. bank. Part of a general development policy, this new position will assume control of all U.K. accounting and reporting, backed by a team of 8. The emphasis will be on effectiveness and potential for promotion and the right candidate will be well placed for advancement within the bank. Candidates should be recently qualified Accountants either with banking or bank auditing experience.
Contact: Felicity Hother

Anderson, Squires Ltd, Bank Recruitment Specialists
127 Cheapside, London EC2V 6BU

01-588 6644

Anderson, Squires

Senior Sterling Dealer

Competitive Salary – Excellent Benefits

A vacancy has arisen for a Senior Sterling Dealer to join the money markets operation of a major UK banking group.

The successful candidate will be a leading member of a small team of dealers and should have at least 5 years' dealing experience in the cash markets and ideally a knowledge of foreign exchange and *LIFFE operations.*

The position carries a competitive salary, a non-contributory pension, subsidised mortgage, free BUPA and the usual banking benefits.

To express your interest please write enclosing the full curriculum vitae, quoting ref 397, listing the names of companies to whom your enquiry should not be forwarded.

All applications will be handled in the strictest confidence by:

Roger Tipple, Director, Lockyer, Bradshaw & Wilson Limited, 39-41 Parker Street, London WC2B 5LH.

LBW

LOCKYER, BRADSHAW & WILSON LIMITED
A member of the Addison Page PLC Group

TORONTO DOMINION BANK

CORPORATE SERVICES OFFICER

Treasury Group

Toronto Dominion Bank is one of the longer established overseas international banks in the City with strong UK and world-wide representation. This is an opportunity to develop a career in one of the most dynamic areas of banking.

This position is part of our established Corporate Services Group based within our dealing room. This group develops and services the Treasury requirements of our corporate clients in the UK and Europe, both by telephone and direct contact. Business development is achieved by providing specialist Treasury support to our account managers and through our Corporate Services Group's own marketing programme.

We are seeking a degree standard person with at least two years' corporate treasury or international banking experience, with a keen interest in marketing, *and experience of a dealing room environment would be an asset.* We will provide the specialist training needed for you to promote effectively our Treasury services. Thereafter a successful demonstration of ability in UK Treasury services should lead to opportunities for further responsibilities in our world-wide Treasury operation or possibly a move into international banking.

We are offering a good salary coupled with competitive financial sector benefits.

Please forward a full CV with salary history to:
Jim Green, Manager, Human Resources,
The Toronto-Dominion Bank, St Helens,
1 Undershaft, London EC3A 8HU.

TD

MARKET PLANNING MANAGER

Central London c. £18,000 + benefits

Abbey National Building Society is seeking an *experienced Market Planning Manager to play a* key role in its expanding Marketing Division.

The Society is poised for a new wave of business expansion and is actively seeking to enter new markets. Against this challenging and exciting *background, the Market Planning Manager will* be expected to identify and recommend marketing strategies and tactics that will optimise the Society's growth and profit performance in both new and existing markets.

Candidates must have a minimum of 5 years' relevant planning experience, preferably within the market planning function of a consumer-based *financial organisation or retailer, and will probably* be in their early to mid-30s. A good degree in business studies, marketing or similar is required. Self-motivation, as well as good management communication skills, must be complemented by *analytical and creative flair.*

Career opportunities are excellent and the competitive salary package includes subsidised BUPA and relocation assistance where appropriate.

To apply please send a full cv, quoting ref: 246/WW, to Bill Whitehead, Personnel Officer, Abbey National Building Society, Abbey House, Baker Street, London NW1 6XL.

ABBEY NATIONAL BUILDING SOCIETY

TAXATION SPECIALIST

£13,002 to £16,379 p.a. inc.

The Electricity Council is the central co-ordinating body for the electricity supply industry in England and Wales.

The Financial Department of the Council has an opportunity for a specialist to join a small team dealing with taxation matters as they affect the electricity supply industry.

The Section's work, which is varied and *interesting, includes advising management on* a wide range of matters such as Corporation Tax, personal taxation and VAT. Regular contact with the Electricity Boards, the Inland Revenue and other organisations is involved.

You should be making significant progress *towards a qualification in tax or accountancy,* be knowledgeable in UK tax law and have had practical experience in its application. The post, calls for dependability and personal initiative.

Please write in confidence giving age, career to date and present salary, quoting Ref: 107/FT to:-

David Webb, Recruitment Officer,
The Electricity Council,
30 Millbank, London SW1P 4RD.

The Council has an equal opportunity policy and welcomes applications from disabled people.

ELECTRICITY COUNCIL

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For further details of the above call

CAMBRIDGE APPOINTMENTS on 623 0101

MIKE POPE & DAVID PATTE[illegible] PARTNERSHIP
Banking Recruitment Specialists

EUROBONDS SALES/TRADERS	£neg
EUROBONDS SETTLEMENTS MANAGERS	to £30,000
STERLING DEALER	to £22,000
INTEREST RATE SWAPS *DEALERS*	to £20,000
DOC CREDITS MANAGER	to £20,000
GRADUATE CREDIT ANALYSTS	to £15,000
INTEREST RATE SWAPS ADMIN	to £10,000
ACCOUNTS/B OF E RETURNS	to £9,000

CONTACT MIKE POPE
01-247 0055
2nd Floor, Bank Chambers
214 Bishopsgate, EC2

Institutional Sales

Tokyo

A major London merchant bank currently requires two sales executives for its Tokyo Securities Branch, one of whom will be predominantly concerned with the sale of Japanese equities to Japanese institutions and clients in the Far East, and the other with the sale of non-Japanese securities to Japanese institutions.

Ideally applicants should have several years experience in Japanese or international equities and will be bilingual in English and Japanese. However, applications will be considered from highly motivated candidates who have either the required level of experience or linguistic ability.

If you are interested in these exciting career opportunities, please apply in writing to Sarah Gates, Investment Division, 23 Southampton Place, London WC1A 2BP.

MP
Michael Page City
International Recruitment Consultants—London Brussels New York Sydney
A member of the Addison Page PLC group

Are you selling Unit Trusts?

Manchester & Birmingham — High Base Salary Unlimited Bonus Earnings

Our client is a rapidly expanding, well respected unit trust group which forms part of a major international financial entity.

As a result of their continuing success they now seek to appoint two high calibre sales professionals to further build on their recent impressive track record.

These newly created positions report to the Managing Director and are seen as the key to the future growth and success of the organisation. Your role will be to utilise your existing network of connections and create additional business within the intermediary market-place.

You will be a highly motivated self starter seeking a substantial degree of autonomy and responsibility. You will also desire a highly geared bonus scheme which will ensure that your rewards are directly related to your success.

So, if you are selling unit trusts – and wish to capitalise upon your success, we'd like to tell you more. To apply, in the strictest confidence, telephone or write to Fiona Law quoting Ref: 9828.

Lloyd Chapman Associates

International Search and Selection
160 New Bond Street, London W1Y 0HR.
Telephone: 01-408 1670.

TREASURY

London Branch is seeking traders for its expanding Treasury operations:

NEGOTIABLE ASSET TRADER

The successful candidate should have a minimum of 2 years active and practical experience trading in FRN's, CD's, Acceptances, Financial Futures. Knowledge of Interest Rate Swaps and Options will also be beneficial.

SPOT TRADER – Foreign Exchange

A minimum of 3 years active trading experience in the London market. Knowledge of Forwards and Deposits will be advantageous to the successful applicant who will be in his twenties.

Salaries are negotiable and will be in accordance with age and experience.

Please reply in strictest confidence with C.V. to:
The General Manager
Den Danske Bank
Danske House
44 Bishopsgate
London EC2N 4AJ

DEN DANSKE BANK
London Branch, Licensed Deposit Taker

Chief Press Officer

Primarily responsible for the Government *economic policy, HM Treasury is involved in* a variety of financial issues including monetary policy, public expenditure, taxation, *economic forecasting and Civil Service pay* and conditions.

As the Chief Press Officer you will manage a small, busy team of press officers and administrative support staff. Reporting to the Head and Deputy Head of Information, you will brief journalists on Treasury business and advise Treasury ministers and officials on the presentation of economic policies and on their dealings with the media.

You must be a good manager and be able *to communicate clearly and effectively, with* a sound understanding of economic issues. *Significant experience at a responsible level* in a relevant field is essential.

SALARY: as Principal Information Officer £14,870–£19,725. *Starting salary according* to qualifications and experience. Promotion prospects within the Treasury or other *departments.*

For further details and an application form (to be returned by 25 September 1985) write *to Civil Service Commission, Alencon Link,* Basingstoke, Hants RG21 1JB, or telephone Basingstoke (0256) 468551 (answering *service operates outside office hours).* **Please quote ref: G(7)633.**

The Civil Service is an equal *opportunity employer*

HM Treasury

Expand Lending Activity

BUSINESS DEVELOPMENT OFFICER

(Graduate)

Have you about 1 year's basic banking experience and do you want to use your Oxford, Cambridge, London or similar degree to maximum effect in a banking career?

As a Business Development Officer for a major foreign Bank in London, you will be involved in promoting and administering the Bank's lending *activities. Reporting to the Head of* the Corporate Finance Department, you will also be expected to visit potential clients, carry out market research and undertake customer credit analysis.

Ideally a Law or Business Studies graduate, aged early/mid-twenties and living within easy commuting distance of the City, you must be able to interpret company balance sheets and P & L Statements. Co-operative, energetic and confident enough to converse at top management levels, you will above all, be willing to learn.

A very attractive salary is negotiable plus normal banking benefits. Interested? Then ring or preferably write to me, Richard J. Sowerby, Sowerby's (Selection) Ltd., Personnel Consultants, 500 Chesham House, 150 Regent Street, London W1R 5FA. Tel: 01-439 6288.

Sowerby's Selection

INVESTMENT ANALYST/DEALER

NORTH AMERICAN EQUITIES

LONDON EC2

The Equitable Life Assurance Society is a long established but progressive company with extensive *investment* portfolios.

Continued expansion means we now seek an Investment Analyst to assist the Investment Manager of our North American *Equity* portfolios.

You will join a small team in the City and your key role will be to establish and maintain close liaison with brokers and – through analysis of research *material, attendance* at meetings and seminars etc – make recommendations to the Investment Manager and effect deals on his approval.

Ideally, you will be in you mid twenties and hold a university degree. You should also have around two years' experience of investment analysis.

We offer an attractive remuneration package which *includes free lunches,* a non-contributory pension scheme and staff house purchase loan after qualifying period.

For further details and an application form please contact:—
Miss Valerie Shelford, Staff Assistant,
The Equitable Life Assurance Society,
Walton Street, AYLESBURY, Bucks HP21 7QW.
Telephone: Aylesbury (0296) 33100.

The Equitable Life

SENIOR GILT DEALER/ MANAGER

A long-established City-based firm of professional corporate treasurers whose clients include a wide range of companies, building societies, public bodies and charities is seeking to appoint an experienced Gilt-edged Dealer/Investments Manager.

Candidates will be required to demonstrate a proven record in short gilts and other monetary instruments.

Applicants are invited to send details of their career and related remuneration for this senior appointment, marked personal, to Kent Sandom, Investment Director,

Manchester Exchange
Group Limited
Pembroke House
40 City Road
London EC1Y 2AX

Financial Executives

£15,000-£25,000

Our client, a major British company in the leisure industry, is expanding its financial team and we have a number of opportunities for young, ambitious financial executives, preferably with an MBA, or business qualification as well as a recognised financial qualification.

Opportunities are in the following categories:

Internal Auditors
Financial Controllers
Operations Analysts

Please write, giving full details of age and experience to Carol Speed, Kynaston International, Edman House, 17/19 Maddox Street, London W1R 0EY.

KYNASTON INTERNATIONAL

REGIONAL LEASING SALES MANAGER — c. £30,000

One of our major clients is seeking self-motivated executives with experience in the Sales Aids sector, i.e. office equipment, computers, cars, etc. to manage and market one of its several regional offices.

SENIOR DEALER FINANCIAL FUTURES AND MONEY MARKET — £ neg.

An expanding bank with an active dealing operation, currently dealing in futures, is seeking an experienced money market dealer (multi-currency deposits, FHNS, FRAS) with existing experience dealing in Financial Futures, to run these books.

PRINCIPAL FX FORWARDS AND SPOT DEALERS — £ neg.

These are new positions recently created in two expanding banks to extend the dealing in major currencies in these FX dealing sectors.

FINANCIAL CONTROL — £25,000

European bank established in the City requires a chartered accountant with good banking background.

QUALIFIED ACCOUNTANT — £18,000

An accountant with a *sound banking* accounting background is being urgently sought by a new L.D.T.I. in the initial stages of opening.

OLD BROAD STREET BUREAU LIMITED
STAFF CONSULTANTS
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Ring Mrs J. Edmunds
01-377 5266

ACCOUNT DIRECTOR

International Business to Business Advertising Agency is looking for an experienced Account Director within business to business communication. After a period of 1-2 years in the U.K. the job will entail setting up an office in New York, consequently managerial experience is required, preferably within the advertising world. Minimum of 8-10 years experience of working in the United States is also required.

All applications to be sent to

Leif Jonson, Managing Director
EHRENSTRAHLE & CO. LTD.
37-38 Golden Square
London W1R 3AA

Corporate Dealer

European Banking Company Limited, which has developed a prestigious reputation in the London foreign exchange market, wishes to recruit an experienced Corporate Dealer, aged 25-30, of outstanding ability whose skills will match those of the existing team. In addition to servicing existing corporate clients, the selected candidate will be expected to contribute to the continual development of the corporate customer base.

Candidates must demonstrate:

— A thorough understanding of the foreign exchange and money markets.

— Ability to communicate with clients at senior level.

— Commitment to the highest professional standards.

We offer an excellent remuneration package which is designed to stimulate a results-oriented individual.

Please write in the first instance, in complete confidence and enclosing your curriculum vitae, to K. E. Wemly at Odgers & Co. Ltd. quoting ref. 1623

Odgers

MANAGEMENT CONSULTANTS
Odgers and Co Ltd, One Old Bond St. London W1X 3TD. 01-499 8811

APPOINTMENTS ADVERTISING
APPEARS EVERY THURSDAY

FUND MANAGER/–ANALYST

Credit Suisse First Boston (CSFB), one of the world's leading international merchant banks and issuing houses, continues to build up its institutional investment management business through CSFB Investment Management Limited (CSFBIM) a London-based group company which is growing rapidly.

To complement the existing team, CSFBIM seeks to recruit the following:

Portfolio Manager

For US$ based multicurrency fixed income portfolios. The ideal candidate would have two to three years' experience in managing fixed income (including gilt) portfolios. A demonstrably successful record as an analyst or junior portfolio Manager is desirable.

Analyst

Who should be highly numerate, have two to three years' experience in stockbroking/merchant banking or insurance. The emphasis will be on economic and fixed income market/currency analysis and computer applications.

Career prospects at CSFBIM are excellent and an attractive salary and benefits package will be made available.

Interested candidates should forward a full C.V. together with a handwritten letter supporting the application, to: Dr. Manfred J. Adami, Managing Director, CSFB Investment Management Limited, 22 Bishopsgate, London EC2N 4BQ. Telephone: 634 3000 (CSFB) or 283 5920 (direct).

CSFB

Bond Settlements Manager

High Profile High Rewards

£23-28,000 + Banking Benefits

Rapid expansion and a progressive management style has enabled this successful British Merchant Bank to become a major force in International Capital Markets. Well placed to take advantage of future changes in the UK and abroad they wish to strengthen their support services by the appointment of an administrative manager to lead the bond settlements department.

Reporting to a Senior Assistant Director your main challenge will be to manage and develop the settlements group creating a high profile department recognised for its efficiency, up to date procedures and enthusiastic staff. Aged 32-38 you have a thorough understanding of computerised bond settlements procedures and proven experience in managing a settlements department. A good organiser and planner you are numerate, energetic and capable of managing a function which will grow to circa 30 staff in the near future.

Remuneration will include a negotiable salary in the region of £23,000-£28,000 plus company car and usual generous banking benefits. To apply in confidence, telephone or write to Barbara Lord, Senior Consultant, Cripps, Sears and Associates Limited, Personnel Management Consultants, 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701.

Cripps,Sears

Private Banking Professional

Europe

Citibank is expanding its marketing activity in Europe and this has created an immediate opportunity to join our International Private Bank in their new premises in Berkeley Square, London W1.

As a private banking professional you will deputise for the Unit Head and sell a wide range of banking and investment services to high net worth individuals. You will need to have a strong background in credit and be familiar with securities and other investments.

We expect you to be fluent in either Greek, French or Spanish.

This is an excellent opportunity to join a successful, expanding unit and an attractive compensation package with the usual bank benefits will fully reflect your experience and qualifications.

Please write with full personal and career details to: Miss Hanneke Frese, Personnel Officer, Citibank, 336 Strand, London WC2R 1LS.

CITIBANK

NEED HELP TO ACHIEVE CAREER OBJECTIVES?

Connaught provide the world's most successful job search service for executives earning over £20K.

We will help you find the best available position in the UK or overseas quickly and confidentially.

Success is assured with our team of experienced career advisors, skilled marketing and research staff, combined with the best network of contacts, information systems and technology yet devised for the top executive seeking a career move.

An initial meeting is without cost. Contact us today and take your next step to success.

Connaught

Executive Management Services Ltd.
32, Savile Row, London W1 01-734 3879

MARINE LAWYER

We are a service company based in Central London providing technical expertise and management for associated overseas companies. Candidates for the position must be members of the Greek bar. They should have at least five years of directly-relevant experience. The post involves frequent European travel. Candidates must be fluent in Greek and English and knowledge of other European languages would be an advantage. Preferred age is under 35 years. Salary and benefits package commensurate with the requirements of the post.

Please apply, with curriculum vitae, to:
Box A9104, Financial Times
10 Cannon Street, London EC4P 4BY

LEADING CITY STOCKBROKER,
PART OF MAJOR FINANCIAL GROUPING,
SEEKS

INVESTMENT ANALYST

to join established team in food manufacturing/tobacco/retailing. Applicants are likely to have gained specialist research experience in one or more of these sectors with a stockbroker or investment institution, or will be working in a financial capacity within one of the industries. They will possess the analytical and communicative skills needed to prepare reports and to market research-based ideas to institutional clients.

Competitive salary plus profit sharing. Excellent prospects.

Write, in confidence, with c.v. to Box A9109, Financial Times, 10 Cannon Street, London EC4P 4BY, giving names of any firms to which applications should not be forwarded.

HS

OPPORTUNITIES IN RETAIL BANKING

Hill Samuel & Co. Limited is a leading British Merchant Bank. It has a well established and yet growing retail operation offering varied services to *clients throughout the United Kingdom.*

In this important area of its Commercial Banking Division it has the following two vacancies:

DEPUTY BANKING HALL MANAGER – MANCHESTER.

Suitable candidates will be aged 27-35, be well versed in all aspects of retail banking and will be AIB qualified with several years' experience as a Branch Accountant/Sub Manager. Experience as an Area Officer within a clearing bank is desirable but not essential. The successful applicant, who will report to, and deputise for, the Banking Hall Manager, will be responsible for further developing a portfolio of existing clients as well as seeking out and building new lending business. The ability to motivate and control staff is essential.

ASSISTANT MANAGER – BIRMINGHAM

Suitable candidates will be aged 25-32 and will be qualified AIB with several years' experience within a clearing bank. The successful candidate will be responsible for maintaining and developing all aspects of the bank's existing client portfolio.

In addition to a competitive salary, we offer excellent fringe benefits including profit sharing, subsidised mortgage and loan schemes, non-contributory pension, free life assurance and BUPA and luncheon vouchers.

Please send full details in strictest confidence to:
Mrs Anne Dunford, Senior Personnel Officer,
Hill Samuel & Co. Limited, 100 Wood Street, London EC2P 2AJ.

HILL SAMUEL & CO LIMITED

FICS

STOCKBROKING SETTLEMENT STAFF

Leading London stockbroker Hoare Govett seeks experienced back-office staff for its new financial clearing and services company, FICS (UK) Ltd., which will provide a broad range of clearing and settlement services in the de-regulated London stock-market.

A prime requirement is for well qualified staff, including VDU operators, to work in its fully computerised Client and Security Records Department.

Additional vacancies exist for experienced settlement staff to work on the implementation of new computer systems, as well as in its UK and Overseas Settlement Departments.

If you feel you can contribute to this exciting new venture, please send a detailed CV to:–

Alan Clements, Hoare Govett Limited,
Heron House, 319-325 High Holborn, London WC1V 7PB.

HOARE GOVETT

PARTNERSHIP SECRETARY

Manchester **c £18,000 + car**

Our clients, a well established firm of Architects, wish to recruit a Chartered Accountant or Chartered Secretary to fill the post of Partnership Secretary. The Partnership Secretary will be the partners' principal adviser on financial and administrative matters, and will be responsible for efficient day-to-day control of the accounting function, as well as general office management.

The successful applicant will have had at least five years' post qualification experience, some of which will have been in a management role within a professional practice. Candidates must be able to demonstrate the ability to offer authoritative advice on commercial matters, good communication skills and experience in the use of computers.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref: 2304, to Steve Ranger, Executive Selection Division.

Touche Ross
The Business Partners
Abbey House, 74 Mosley Street, Manchester M60 2AT. Tel: 061-228 3456

CHIEF ACCOUNTANT

c.£25,000 + Benefits

An expanding European Bank is seeking a highly experienced Bank Accountant aged 30-45, not necessarily qualified, but with some exposure to the trading aspects of accounting ie: foreign exchange, bonds, options, financial futures and interest rate swaps. The successful applicant will supervise a small team and will be expected to implement a new computer system and management information system in the not too distant future. A full range of fringe benefits are available, including mortgage subsidy, a company car (after a qualifying period), non-contributory pension scheme and B.U.P.A.

CORPORATE DEALERS

£Above Market Rate

A Major US Bank is seeking several top calibre Corporate Dealers, preferably educated to Degree level, and able to achieve the very high standards of operation expected. Our Clients are still expanding their select Dealing Team and career prospects are consequently exceptional. Candidates able to offer relevant experience and the necessary potential will be offered very competitive salaries, together with substantial banking benefits.

All applications will be treated in strict confidence.
For the above vacancies please contact Trevor Williams or Richard Meredith.

JONATHAN WREN & CO. LIMITED,
170 Bishopsgate, London, EC2M 4LX. Tel:-01-623 1266

LONDON SYDNEY HONG KONG

Jonathan Wren
RECRUITMENT CONSULTANTS

Corporate Finance

Analysts–a new opportunity

A major stockbroker is seeking to recruit two first-class analysts to join its highly successful corporate finance department. The continued expansion and development of the firm's corporate services has created a new and exciting opportunity for wide-ranging project research.

The successful candidates will be graduates and are likely to be aged between 25 and 35 years with at least 3 years' experience in either investment or business analysis or in corporate finance.

The ability to write clearly and concisely, a proper level of numeracy and, above all, a capacity for originality will be highly valued.

The remuneration package will be fully competitive and the prospects for advancement are excellent.

Please reply in confidence to:
Box No. 390,
Streets Financial Limited,
18 Red Lion Court, Fleet Street,
London EC4A 3HT.

بنك الرياض

RIYAD BANK

International Division

Riyad Bank, a leading Saudi Arabian Bank, seeks to fill the following positions at its Head Office in Jeddah.

Affiliates, Subsidiaries and Branches — *circa* US$60,000

The position will assist and process credit applications affecting affiliates, subsidiaries, foreign branches and representative offices and co-ordinate all activities between them and the different departments within the Head Office. Responsibilities include briefing the Bank's nominee directors for board meetings of affiliates and subsidiaries and contributing to feasibility studies for foreign representation.

Head of Risk Analysis — *circa* US$55,000

This position will be responsible for analysing and monitoring, the economic and financial situations of countries and recommending country limits. The function includes monitoring and conducting in-depth and thorough analysis of banks' financial statements and other measures of performance.

Marketing and Credit Officer — *circa* US$50,000

The successful candidate will solicit, develop and sustain international customer relationships. The officer will market syndicated loans and contribute to the development of other financial products. Experience in the delivery of wholesale banking services is required.

A fully competitive package will be offered to the successful candidates. Bankers with suitable qualifications, motivation, adaptability and experience are invited to submit their applications, in strict confidence, to:-
The Chief Manager, Riyad Bank, London Branch,
Licensed Deposit Taker, Temple Court, 11 Queen Victoria Street,
LONDON EC4N 4XP.

Financial Services Sector

Central London

Our client, a major financial services group managing assets of over £3 billion, is seeking two individuals with entrepreneurial flair who can demonstrate the desire and the ability to develop individual practices within a corporate structure.

Substantial earnings potential, personal business support and the opportunity to capitalise at a later date via a unique practice buy – out scheme are major features of the positions.

Successful applicants will undergo an initial residential training course as the first stage of an ongoing personal development programme.

If you are currently working in accountancy, banking, broking or tax planning please write to the address below enclosing a current cv or phone Robert Walters on 01-734 0493.

Robert Walters Associates
Recruitment Consultants
54-62 Regent Street, London W1R 5PJ.
Telephone: 01-734 0493

BANQUE INDOSUEZ

COMMODITY FINANCE

The Bank wishes to recruit an additional account officer for its London Commodity Finance team.

Candidates should have a sound knowledge of the commodities markets and commodity houses plus an understanding of the various products and techniques employed.

The right person is likely to be aged 25/30 with a Degree and/or A.I.B. or similar professional qualification; a knowledge of French would be useful.

An attractive remuneration in line with experience will be negotiated together with the benefits normally associated with the banking industry.

The position offers considerable opportunity for acquiring further expertise, which in the longer term could qualify the candidate for overseas service in the Bank's extensive network.

Please write enclosing a detailed c.v. to the

Staff Manager
Banque Indosuez, 52-62 Bishopsgate, London EC2N 4AR

EQUITY SALES

CENTRAL/SOUTHERN EUROPEAN MARKETS

Our client, one of the UK's most aggressive international Merchant Banks with a substantial financial commitment to the long term success of the equity market, seeks experienced marketing entrepreneurs to join a professional team backed by the support of a research department of the highest calibre in London.

Ideally aged 25-30 with relevant experience and fluency in one of more European languages.

The positions offer considerable opportunities for individual development.

Competitive salaries.

Relocation expenses will be paid where appropriate.

For further details please telephone or write in confidence to:

ROCHESTER

Rochester Recruitment Ltd, 22A College Hill, London EC4R 2RP
Telephone: 01-248 8346

CAPITAL MARKETS **To £50,000 + Benefits** **London**	Our client is a major US bank seeking to recruit three capital market specialists to cover the Benelux, French and Scandinavian territories respectively. Candidates should have considerable senior experience, within an International Bank or Financial institution, of marketing such products to corporate customers and be a highly numerate graduate aged 28-38. Ref: DES
MANAGEMENT CONSULTANT **To £30,000 + Benefits** **London/Birmingham/Manchester**	A leading management consultancy seeks to recruit ACMA or CIPFA qualified accountants to service clients in the locations listed. Candidates should be aged 27-35, have good degrees and wide ranging sharp-end commercial experience, strong presence and analytical ability and be proficient in computer systems development and implementation. Opportunities for personal development are exceptional. Ref: DES
INTERNATIONAL BANKING **To £20,000 + Benefits** **City**	Interesting line appointment offered by one of the leading names in "the square mile". As Chief Accountant of the international finance division, responsibilities include systems enhancement, improvement of management information and supervision of a small accounting team. Similar experience ideal, though consideration given to young qualified accountants with some related experience. Ref: RIG
CORPORATE ACCOUNTANT **c £18,000 + Car** **London**	This high profile appointment is with a very successful service group. The requirement is for an extrovert and technically strong accountant aged 26-34 with previous experience of corporate accounting matters and the ability to provide the management team with timely and meaningful information as well as sound financial guidance. Ref: MJH
ASSISTANT CONTROLLER **£17,500 + car** **London**	An unparalleled opportunity for a recently qualified Chartered Accountant to advace rapidly in a fast moving environment. Frequently standing in for the Controller will call for the successful applicant to be ambitious, self-motivated and decisive. The ideal candidate will have good systems experience coupled with a realistic commercial awareness. Ref: KRJL
HIGH FLYER **c. £15,000 + Benefits** **City**	This major investment Bank, a market leader in the bonds and equities market, wishes to strengthen its financial management team by the appointment of an ambitious and extrovert ACA. The varied responsibilities of the successful applicant will include management reporting, systems development, financial analysis and ad hoc corporate project work. Ref: JFH

HUDSON SHRIBMAN
The complete financial selection service
College Hill Chambers, 23 College Hill, London EC4R 2RT. Tel: 01 248 7851/8 (24 hours)

STRATEGIC MANAGEMENT CONSULTING

PARTNERSHIP POTENTIAL

The Ambrosetti Group (Europe), part of one of the largest management consulting organisations in Europe, wish to further exploit their well-developed know-how and application expertise in strategic management and allied fields, mainly in Western Europe.

To this aim and to effectively manage its growth, we wish to recruit a SENIOR CONSULTANT, in mid 30's to 40's, based in the London office.

Qualifications for the position must include consulting and the managing of other consultants preferably in the strategic management area, the ability to deal with senior management and fluent English. A willingness to travel and another European language are major advantages as well as an MBA or other Business School degree.

Compensation, including a car, may be well in excess of £ 30,000 p.a.; a successful performance will lead to a partnership. Relocation expenses will be available if necessary.

Please write in confidence with a full CV indicating how you fulfill our requirements to:

Richard Brown, Ambrosetti Group (Europe),
29 Curzon Street, London W1Y 7AE

OFFSHORE FUND SALES

Attractive Salary, Bonus + Benefits Package

A subsidiary of one of the world's largest International Banks is seeking a Sales Consultant to sell its top performing range of Offshore Funds. This is a new appointment and will attract candidates who can demonstrate successful sales in this specialist market. They should have a high level of self-motivation and enthusiasm, and wish to join a small but rapidly expanding marketing operation.

Although based in the City, considerable travel within the UK will be involved and emphasis initially will be on sales to professional advisers to offshore clients.

Applicants should send a detailed CV to:

Box No. 7982,
c/o Extel Advertising Limited,
Hazlitt House, 4 Bouverie Street, London EC4Y 8AB

Top Executives

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Can you afford to waste over £2,000 a month in delay? Minster Executive specialises in solving the career problems of top executives. The Minster programme, tailored to your individual needs and managed by two or more partners, is your most effective route to those better offers, 75% of which are never advertised.

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28 Bolton, Street, London W1Y 8HB. Tel: 01-493 1309 / 1085

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FINANCIAL MANAGEMENT OPPORTUNITIES

c.£25,000 Car-Age 25-35

The Hawley Group continues to expand aggressively on both sides of the Atlantic. 1984 sales totalled £300m and increased by a further 60% in the first half of this year, this growth being achieved both organically and through acquisition. We can therefore offer challenging career opportunities for entrepreneurial but professional managers who are looking for a more stimulating environment. We need now:-

FINANCE DIRECTOR

for a group of companies operating in the leisure and retailing sector.

TAXATION MANAGER

with complete responsibility for all U.K. tax matters.

Both positions report directly to a Main Board Director and could lead to either broader financial or general management roles within the Group. Candidates must be qualified accountants. The Finance Director should have practical commercial experience and the Tax Manager should have a detailed knowledge of corporate taxation in large groups of companies. However, in both cases candidates from within the profession could well be of interest.

HAWLEY · GROUP · PLC ·

Please send your c.v. to:
A. W. May, Hawley Group plc.,
5 Hanover Square, London W1R 9HE.

Manager

Financial Advice, Trusts and Personal Tax

East Midlands

KMG Thomson McLintock is one of the UK's leading firms of chartered accountants, operating worldwide as part of the KMG organisation. We wish to recruit a manager to develop a personal financial planning function within a strong tax department. The task is to advise partners and clients in areas such as pensions, investments, life assurance and trusts. The successful candidate must have the personality and experience to advise at the highest levels.

An attractive salary, pension scheme and company car are offered. There are substantial opportunities for career development.

Detailed applications in writing, together with curriculum vitae to D Powrie.

KMG Thomson McLintock
Chartered Accountants
Arlen House Salisbury Road Leicester LE1 7QS

FINANCIAL CONSULTANT

West End Office of NYSE member firm requires Financial Consultant experienced in U.S. brokerage and registered with NYSE, NFA and Philadelphia Currency Options Exchange who has at least 4-5 years' relevant financial experience working in Middle East business.

Must be fluent in Arabic, French and English, educated to degree standard (business administration or economics), aged 25-30. Salary negotiable.

Please write in strictest confidence, enclosing curriculum vitae, to Box A.9117, Financial Times, 10 Cannon Street, London EC4P 4BY

OFFICE MANAGEMENT EXECUTIVE

Rapidly expanding finance house within public group requires exceptionally experienced, dedicated and commercially minded Remuneration package negotiable.

person to effectively manage their busy offices, specialising in leasing and lease broking, located in a country house in Surrey. Challenging opportunity for the right person. Car driver essential.

Reply in confidence to the Company Secretary
EQUITY & GENERAL PLC
66 Grosvenor Street, London W1X 9DB

ASSISTANT MARKETING SUPPORT COORDINATOR

A leading international investment group requires an Assistant Marketing Support Co-ordinator to administrate training efforts in London for Account Executives and Managers and to act as U.K. support for all advertising and marketing efforts generated in the U.S. including the marketing of core products. At least 3 years' relevant experience required, ideally gained in U.S. brokerage environment, to include knowledge of U.S. regulatory bodies' requirements. Aged 20-25. Salary circa $26,000.

Please write in strictest confidence, enclosing curriculum vitae, to Box A.9116, Financial Times, 10 Cannon Street, London EC4P 4BY

CORPORATE DEVELOPMENT EXECUTIVE

up to £30,000 + car

Our Client is the parent company of a profitable and progressive international manufacturing group with a turnover in the region of £600m, located on the western outskirts of London.

The successful candidate will report to the Chief Executive and assist him in developing an overall strategic direction for the company, and contribute to its implementation by the acquisition investigation programme as well as overseeing the group planning process.

Applications are invited from candidates, preferably in their 30's, with MBA, CA or similar qualifications *who have had good post-qualification experience in using their financial and* commercial skills to search out and analyse strategic issues relative to major acquisitioning and *have been directly concerned in the negotiation of such acquisitions.*

The ability to communicate effectively at all levels, but particularly with senior operating management, is essential.

There are considerable career prospects for the successful candidate and the benefits package includes an annual bonus, non-contributory pension scheme, BUPA membership, etc. Relocation expenses will be paid. Please write with full career details to Bill French quoting reference 445/WJR.

Applications, which may be from male or female candidates, will be treated in complete confidence.

Samuel & Pearce Recruitment Ltd.
Executive Search and Management Recruitment
4-6 George Street, Richmond-upon-Thames, Surrey TW9 1JY.
Telephone: 01-948 2204.

International challenge for group E.D.P. Auditor

c.£20,000

The BOC Group is an international company which is either a world leader or among the world's major producers of gases and related products, healthcare products and services and carbon based products. Other interests include vacuum engineering, carbide, educational and food services.

In support of these businesses a new challenge has arisen for an E.D.P. Auditor reporting to the Group Manager Accounting Control. The key responsibilities will be

- *Develop and implement E.D.P. audit strategy*
- Develop computer assisted audit techniques
- Develop close working relationship with Group Information Systems Department
- Develop E.D.P. training programs for audit personnel
- Co-ordinate E.D.P. audit *plans with external auditors.*

The successful candidate will

- Be a graduate aged 30 or more who is a self-starter and decision maker
- Have experience of IBM computers at a systems development level (a financial background would be an advantage)
- Have the ability to translate technical knowledge into practical business solutions
- Have the ability to communicate with all levels of *management*
- Be able to work in a team
- Have at least 5 years' experience and be able to demonstrate a successful career to date in industry or commerce
- *Be sufficiently mobile to work in the field for* approximately 60% of the time, both in the UK and *overseas (based at Windlesham, Surrey).*

This is an excellent entry point to the Group and provides a significant opportunity to influence and impact on the success of the Audit function and your own career prospects.

If you feel that your skills and experience meet our requirements write to:

Rita Cornfield, Manager, International Personnel Unit, The BOC Group plc, Hammersmith House, LONDON W6 9DX.

THE BOC GROUP

Group Company Secretary

Circa £25,000 + car + substantial benefits

Mansfield Brewery Co. plc has over the past 7 years *presented its shareholders with an impressive* growth in profitability. The current operating year *shows a* turnover c£70M with a profit of c£8M but the recent acquisition of North Country Breweries takes the Group into the £100M turnover bracket and places it 11th in the league of top breweries.

A major re-organisation of the Group leaves vacant the post of Group Secretary. Whilst embracing normal secretarial activities such as organising and servicing main board and executive board meetings, control of the Registrar's Department, Insurance, Pensions, Payroll and Office Services; there is a major legal commitment to service both the fiscal and commercial law requirements of the Group. The appointment is of Divisional Director status.

The candidate most likely to meet this job specification will have a strong legal background, commercially applied, with a track record of visible *contribution to the successful progress of the* companies serviced. He/she could have been trained as a lawyer but with many years of applied commercial experience outside the practice. Equally, a Chartered Secretary with in-depth applied legal experience could fill the post. In this progressive company that successful candidate is most likely to be in the 35-45 age bracket.

The comprehensive remuneration package includes a negotiable salary circa £25,000, a car, non-contributory pension, profit sharing, and free medical insurance.

Men and women are invited to write in strict confidence to TDA Lunan at the address below giving career details, age and current salary. Please include your daytime telephone number and quote 419FT on envelope and letter.

Lunan International Ltd

Lunan International Limited,
1 Great Cumberland Place,
London W1H 7AL.
Telephone: 01-723 6803.

Institutional Sales

UK Sectors · International Markets · General UK

A number of our clients, both major UK and international houses, as well as more specialist firms, actively seek institutional sales executives for a wide range of sectors and market specialisations.

First class communicative skills, self-motivation and ambition are important pre-requisites and should ideally be coupled with two to seven years' experience of sales, gained within a broking environment. Experienced equity analysts wishing to transfer their expertise to a sales role would also be of interest.

For a confidential discussion about specific opportunities or the investment recruitment market in general, please contact Anna Robson or Stephen Embleton at the Investment Division, 23 Southampton Place, London WC1A 2BP, or telephone them on 01-404 5751.

MP
Michael Page City
International Recruitment Consultants—London Brussels New York Sydney
A member of the Addison Page PLC group

FLEMINGS

INTERNATIONAL INVESTMENT

The fast growing group specialising in global and regional multi currency portfolio management in London is looking for an additional member to complement the skills of the existing team.

Although this challenging role is essentially that of a fund manager, responsibilities will include helping in developing asset allocation strategy and in marketing the group's product. Overseas travel will be involved.

Candidates preferably should be able to demonstrate proven skills in North American financial markets but other investment specialists wishing to broaden their horizon should not hesitate to reply.

Applicants, of either sex, should write enclosing their curriculum vitae to:

Frank Smith,
ROBERT FLEMING & CO. LIMITED,
8 Crosby Square,
London EC3A 6AN.

C. CZARNIKOW LTD

Cocoa Department

As part of the expansion of our cocoa department, we are seeking to recruit a young trader with experience of physical cocoa trading and arbitrage.

A good working knowledge of French is essential.

Apply in confidence to:

John Blackman
C. CZARNIKOW LTD.
66 Mark Lane
London EC3P 3EA
Tel: 01-480 9360

Reuters in the Bonds Market

Unusual marketing role c.£25,000 + car

If you have a professional interest in how the global Capital Markets industry is shaping up — and wish to play a part in the shaping — then this may be the right move for you.

You will join the London-based development team behind Reuters bonds services which currently include price *information, database, valuation and dealing. As Assistant* Market Manager — Bonds, you will have an important role to play in bringing the next generation of Reuter services to the market by:

- identifying the fast-changing information and communication needs of the international Capital Markets community;
- operating in a *multi-disciplinary* team in the creation of new services to meet these needs;
- providing support for new services.

The job entails occasional overseas travel and close liaison with Reuters global network of offices and representatives, and provides an excellent platform for career development within the company.

Aged 26-35, your Capital Markets knowledge could have been gained as a fixed-interest investment manager or analyst, as a bond trader or IT specialist with a Eurobond house, or with a competitor. A university degree, good communication skills and versatility are key requirements.

A detailed position profile is available on request.

Please send a brief cv, in confidence, or telephone for an application form quoting **Ref: AA54/9500/FT,** to the Banking and Finance Group.

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PA Personnel Services

Executive Search · Selection · Psychometrics · Remuneration & Personnel Consultancy

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

Finance Manager

North of England c.£17.500 + Car + Benefits

Our client is a major British subsidiary of a US corporation. They currently wish to appoint an experienced Finance Manager for this key position.

Applicants (male/female) will:

- Be qualified accountants, probably graduates.
- Have managerial experience covering financial and *management accounting.*
- Be familiar with financial planning and cost control in a manufacturing environment.
- Have considerable experience of *mainframe* computer based business systems.

This is a *senior* position and for the right person offers excellent opportunities for career advancement. Generous relocation expenses will be paid, where appropriate.

Write with full CV to Confidential Reply Service. Ref: 9260, Austin Knight Advertising UK Limited, Knightway House, 20 Soho Square, London. W1A 1DS.

Applications are forwarded to the client concerned therefore companies in which you are *not* interested *should be listed in* a covering letter to the Confidential Reply Supervisor.

Austin Knight Advertising

DEPUTY MANAGER

c. £15,000

to join a major International merchant bank in their Capital Markets Group. A degree or professional qualification and 2 years' experience preferably in the banking sector is essential. A good computer knowledge is also essential.

For more details please telephone
01-240 3551 (City) or
01-240 3511/3531 (West End)

Elizabeth Hunt Recruitment Consultants

RATING ANALYST FOR ITALIAN BANKS

IBCA Banking Analysis Limited requires a senior rating analyst who should be an accountant, M.B.A. or professionally-qualified person, preferably with a background in financial analysis and/or in banking. IBCA is the leading company in its field, specialising in the rating of banks, and the position requires visits to international banks and particularly to banks in Italy in order to conduct in-depth interviews at a senior level. Fluency in Italian and in English are essential; knowledge of other languages advantageous. Competitive salary plus profit-share.

Write Box A9110, Financial Times
10 Cannon Street, London EC4P 4BY

TREASURER

Salary around £35,000 + Car + Benefits

The Halifax is recognised as the World's No. 1 building society and now seeks a manager for its Treasurer's Department based at Head Office in Halifax.

The Treasurer manages and has overall responsibility *for liquid funds of more than* £3.5 billion and wholesale funds of more than £1 billion.

The successful candidate should have a minimum of five years' experience operating at a senior level in the gilt and money markets and will be required to have the knowledge and expertise to continue the initiatives the Society has already developed.

In addition to the salary shown, the benefits include provision of a car, contributory pension scheme, life assurance, subsidised mortgage facilities, BUPA and a full relocation package (if appropriate).

Candidates should apply in confidence with a full C.V. to:-

General Manager, Personnel and Services,
Halifax Building Society, P.O. Box 60,
Trinity Road, Halifax HX1 2RG.

HALIFAX
BUILDING SOCIETY
An equal opportunity employer

Branch Banking

Due to the expansion of its retail banking services, Hill Samuel & Co. Limited, leading Merchant Bankers, are seeking to appoint an experienced branch banker with drive, personality and initiative to join the Management of its young professional team.

The successful applicant can expect a career with an unusual degree of independence plus an attractive remuneration package.

For an application form, please write or telephone:

Christopher Oakley, Assistant Director, Hill Samuel & Co. Limited,
39 Wigmore Street, London W1H 0AL. Telephone: (01) 628 8011.

HILL SAMUEL & CO LIMITED

TRAINEE BROKER

A vacancy has arisen for a Trainee Broker. The successful applicant will be aged 23+ and of a smart appearance. No previous experience necessary as full training will be given.

For a confidential interview
Telephone Andrew Chilver
on 01-493 9671

WEST END

Unusual career opportunity within a major registered brokerage, smart appearance and sense of humour necessary. Full training leading to professional qualifications.

For a confidential interview call
Mr. A. Sichel
on 01-408 2091

EXECUTIVE RECRUITMENT CONSULTANT

Established executive search firm seeks an experienced Recruitment *Consultant to join dynamic young team. Excellent* career potential for an enthusiastic professional able to make a *positive contribution* to the company's growth. Compensation commensurate to experience and prior earnings.

Inquiries will be treated in strict confidence and should be addressed to Robert Kimbell at Reapland International, 37 Connaught Square, London W2 2HL. Telephone 01-723 6899.

REAPLAND INTERNATIONAL

Private Investment & Property Services

An overseas private company seeks MANAGER to establish its London-based operations. Candidates must have several years' experience from the UK and Nordic capital and property markets, MBA-level education and fluency in a Nordic language, preferably Swedish. The salary is L17,500 plus profit share.

Please write with full c.v. to:
MR JOHN SCOTT, 36 HORNTON COURT, LONDON W8
Closing date is 19 September 1985

International Appointments

Vice Chairman

PRIVATE INTERNATIONAL GROUP EUROPE Approx. $125,000

An interesting and outstandingly challenging role for a mature dynamic executive.

THE GROUP is the recognised world leader in its field, owing to a number of important breakthroughs, in terms of products and marketing innovation. We are active in all major industrial markets on every continent, have our own manufacturing facilities, are very research-oriented and are respected for professional and reliable support services.

THE APPOINTMENT: based in Europe, the Vice Chairman will have a varied and interesting brief, covering such activities as corporate development, marketing, manufacturing, financing and research, with particular emphasis towards maximisation of increased market penetration in existing markets and new market development, all with the objective of providing the worldwide group with much more rapid growth and profitability. Naturally the applicant will possess an exceptional record in the industrial field and good general management experience. Additionally, we are looking for outstanding personality, judgement, diplomacy, energy and organisation; and the application of method and psychology in working internationally with a first-class team of executives within a dynamic group.

REMUNERATION is negotiable and is expected to be very substantial in line with the qualifications desired and the responsibilities to be assumed.

Applicants will be interviewed by the Group Chairman. In the first instance, replies, which will be treated in strictest confidence, should be sent together with CV and photograph to:

The Senior Partner, Rawlinson and Hunter, One Hanover Square, London W1A 4SR.

Merchant Banking Group

Career opportunity for International Banker

Mid Thirties c£45,000

Our Client, one of the leading European Commercial and Merchant Banking Groups, seeks to recruit a trained Banker to work initially in West Africa and to move into a senior post in their London-based International Finance Team, which concentrates on projects, trade related finance and Syndications on a world-wide basis, in some two years' time.

This is an outstanding opportunity for either a London-based merchant banker who wishes to gain on-the-ground experience or, alternatively, a member of the foreign service side of a major international retail bank who wishes to move into merchant banking. A good knowledge of Letters of Credit and a flair for marketing are particularly important in the initial posting which also requires an aptitude in the administrative and accounting areas.

Remuneration in the initial contract period will be at a rate around £45,000 per annum plus expatriate package, including housing, travel, normal tax benefits etc.

Please write initially, enclosing a detailed CV and quoting ref. 639, to Keith Fisher at Overton Shirley and Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

INTERNATIONAL APPOINTMENTS
APPEAR EVERY THURSDAY

Senior Technical Consultants

Saudi Arabia

To $40,000 + Substantial Benefits

for a major financial institution in Riyadh providing finance for the development of the private industrial sector in Saudi Arabia. Successful candidates will join a professional organisation playing a major role in developing and expanding the Kingdom's industrial base.

A Senior Technical Consultant is responsible for providing a comprehensive assessment and appreciation of all technical aspects of proposed industrial projects, including a detailed analysis of costings etc., covering a wide variety of manufacturing processes and end-products. He also provides technical advice and guidance to existing industrial ventures, and will play an active part in on-the-job training and development of Saudi nationals.

Increasingly, projects being evaluated are sophisticated in terms of process and technology, and whilst the consultants will be expected to evaluate a wide range of projects, two consultants with specific industry experience in the electrical/electronic sectors, and the chemicals sector, including both heavy and fine chemicals, are now sought.

Candidates must have a degree or equivalent in a relevant discipline, and should preferably have professional membership. They must have a minimum of ten years' practical experience of a variety of manufacturing processes in an appropriate industry, and five years of technical consultancy exposure at a senior level. They must demonstrate recent, specific and significant involvement in the technical evaluation of a new industrial project or a major expansion to an existing project.

Total fluency in written and spoken English is essential; knowledge of Arabic would obviously be an advantage. Previous overseas experience would be useful, especially where experience has been gained of joint venture projects and/or technology transfer. Those under the age of 35 are unlikely to have had sufficiently wide and varied experience.

In addition to the salary paid free of tax in Saudi Arabia, the successful candidates will be offered an excellent benefits package, on a married or single basis, which includes – performance and end-of-contract bonuses – free housing – leased car – generous leave and leave fare provisions – free medical treatment – overseas school fee and student travel benefits – first class recreation facilities.

These appointments, for an initial period of two years, renewable by mutual agreement, represent a unique opportunity for both significant involvement in a country's industrial development and substantial capital accumulation.

Interviews will be held in London in mid October. Please reply with a full curriculum vitae, including current compensation level. Your application will be forwarded direct to our client. *List separately any organisations to whom your application should not be sent. B. G. Woodrow ref. B.2133.*

**HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.**

مختصون باستيطاف العرب

HAY-MSL
middle east

EDP Systems

A passport to international travel

Single or Married Status

Our client, one of the oil majors with revenues exceeding $60 billion, maintains a worldwide EDP audit function.

Our client's policy of promoting members of its review team after experience of worldwide operations has led to these current vacancies.

Overseas assignments range from 2-4 months in any one location and therefore a commitment to 100% travel is essential.

Candidates should have:

- A computer science degree or accountancy qualification
- Systems analysis, programming and control practice experience
- Understanding of EDP interrelationships
- Independence and self-motivation
- Management ability
- Second European language ability

The attractive remuneration package includes a net salary of c. £13,500, all expenses paid, married status travel, together with other large company benefits.

Interested applicants should contact **James Forte on 01-831 0431** or write, enclosing a comprehensive CV to **Michael Page International, 39-41 Parker Street, London WC2B 5LH**, quoting ref. 944.

MP
Michael Page International
Recruitment Consultants
London Brussels New York Sydney
A member of the Addison Page PLC group

CANADIAN IMPERIAL BANK GROUP

Corporate Relationship Managers

Senior Credit Analysts

We seek to recruit a number of highly motivated and ambitious university graduates (preferably also holding a recognised legal, accounting or banking qualification), to join one of the most dynamic corporate banking teams in London.

Specifically we require Corporate Relationship Managers and Senior Credit Analysts with the emphasis for those positions being on lending and capital market products. The ideal candidates will have significant credit analysis, facility structuring and documentation experience. For the Relationship Manager position they will already have corporate relationship responsibilities, while for the Senior Credit Analyst positions the ideal candidate will be seeking to assume such responsibilities within a short period of time. Successful applicants will be expected to play a highly significant role in the development of the Bank's expanding UK operations. The positions will appeal to those who are not afraid of hard work and long hours.

If you think you meet these requirements, we would like to hear from you. Please send your C.V. to:-

**Mrs. E. J. Price, Personnel Officer,
Canadian Imperial Bank Group,
*55 Bishopsgate, London EC2N 3NN.***

Finance & Administration Manager

Latin America Substantial Package

Our client is a privately owned company whose activities include the trading, shipping, storage and distribution of chemicals.

They seek to recruit an accountant for one of their major operations in the North of Latin America, who will be responsible for the whole finance and accounting function. The main responsibilities include:

- preparation of accounts and reports
- budget formulation and control
- monthly management reporting
- treasury and legal aspects

Candidates should be qualified accountants, preferably graduates, with a minimum of 5 years' post qualification experience and be able to speak Spanish.

The salary package includes a car, paid home leave, annual bonus and the possibility of equity participation.

Interested candidates should contact **David Nicholson ACA on London 01-831 0431**, or send a curriculum vitae to **Michael Page International, 39-41 Parker Street, London WC2B 5LH.**

MP
Michael Page International
Recruitment Consultants
London Brussels New York Sydney
A member of the Addison Page PLC group

FINANCIAL ACCOUNTANT

CARIBBEAN

Circa 26,000 Pounds Sterling (Tax Free)

Cayman Overseas Trust Co. Ltd. is engaged in the management of offshore investment companies, trusts etc., and is a member of the Cayman National Corporation Ltd. group which provides a comprehensive range of financial services in the Cayman Islands.

The company requires the services of a professionally qualified accountant with at least one year's post-qualifying experience to handle its own computerised accounting function and to maintain records and prepare financial statements for clients.

In addition to salary, the position carries other benefits including non-contributory pension scheme, subsidised staff loans after a qualifying period etc.

Applications accompanied by a c.v should be made in writing in the first place to:

**THE EXECUTIVE VICE-PRESIDENT,
CAYMAN OVERSEAS TRUST CO. LTD.,
P.O. BOX 1790,
GRAND CAYMAN
B.W.I.**

INVESTMENT OFFICERS

The International Finance Corporation offers you a career in international development. An affiliate of the World Bank, IFC needs investment officers for important work promoting the private sectors of developing countries. The job involves identifying and appraising proposed investments, negotiating and presenting proposals to the board, and supervising IFC investments.

Although based in Washington, officers work within a multinational and multi-disciplinary team, and frequently need to travel overseas to assigned countries.

Applicants should possess a relevant degree and have at least five years financial or industrial experience in lending, funding or managing equity investments, preferably in a developing country. Fluency in English, or English and French is essential.

We will meet all the expenses incurred in your relocation, and make full provisions to enable you to keep in close contact with your home and country.

Please write, in English and enclosing a résumé, to:

*Miss Katherine Louthood, Recruitment Officer,
International Finance Corporation,
1818 H Street, N.W., Washington D.C. 20433.*

IFC International Finance Corporation

IRM

(Institute for Research and Information on Multinationals)

Geneva

is looking for a British

ASSISTANT (m. or f.)

for the

DIRECTOR OF INFORMATION AND COMMUNICATION

★ **THE JOB:**
- *Relations with the press (particularly in Great Britain)*
- Material organisation of conferences, meetings, etc throughout Europe
- Co-ordination of the editing of publications in English and relations with the publishers
- The candidate will be attached to IRM Geneva Office with frequent journeys to Great Britain.

★ **PROFILE:**
- Age: 25-40
- At least three years' experience in communication matters
- Good contacts with the British press
- Interest in economical, social, and political problems
- Fluent French
- Knowledge of German would be appreciated

Please write with full curriculum vitae to:
IRM, 45-47 Rue de Lausanne, CH-1201 Geneva

SALES/MARKETING EXECUTIVE

U.S. BASED MANAGEMENT CONSULTING FIRM

Seeks aggressive individual with experience in hi-tech markets to head up European operations. Salary + Commission.

Reply early with resume to
Box A9118, Financial Times,
10 Cannon Street,
EC4P 4BY.

EMPLOYMENT CONDITIONS ABROAD LIMITED

An international association of employers providing confidential information to its member companies, relating to employment of expatriates and nationals worldwide.

Tel: 01-637 7604

A MAJOR

Middle Eastern Bank

with branches in Egypt wishes to appoint a

Credit & Marketing Manager

Candidates should be graduates and must have had a minimum of 10 years' experience in international credit and marketing with a leading bank. The post bears the responsibility not only of supervising and developing an effective marketing team but also responsibility for the credit portfolio. The position is Cairo-based at the Regional Office and reports directly to the Regional Manager. Preference will be given to Arabic speakers.

*Applications to Box A9107, Financial Times
10 Cannon Street, London EC4P 4BY*

Accountancy Appointments

FINANCIAL ACCOUNTANT

-C £16k

+ Company Car

The Megaleasing group of companies specialises in the safe, lease and rental of new and second-user IBM hardware.

The group is currently undergoing a period of rapid expansion and this has created an exciting opportunity for a qualified accountant (preferably a graduate) to take control of the full accounting function.

Energy and enthusiasm as well as excellent technical skills are essential requirements. Experience in the installation of computer systems would also be an advantage.

Please apply in writing with a full curriculum vitae, marked private and confidential, to:

The Company Secretary
Megaleasing UK Ltd.
Rythe House
2 Littleworth Road,
Esher, Surrey KT10 9PN

Financial Controller

Major New Venture

City **to £30,000**

The Committee of London Clearing Bankers has set up an organisation to plan and implement a major new facility to transfer funds electronically directly between the retailer and customers' banks. A senior financial executive is now required to join the management team as financial controller.

The prime tasks initially will be to set up an entire accounting structure for this new operation, creating budgets and forward plans, appropriate monthly reporting, analysing complex capital projects and numerous one-off financial investigations. As the organisation develops there is scope for the individual to assume additional responsibilities and have a wider role in general management.

Candidates, preferably graduate chartered accountants aged 35-45, should have experience, preferably in the financial services area, of establishing project management controls from scratch. Maturity, energy and vision are as essential as technical skills. The salary is negotiable to £30,000 plus car and a benefits package appropriate to this senior post.

Please write in confidence, with full career details, quoting reference 2860/L, to J. W. Hills, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

Finance Officer

King Edward's Hospital Fund

London *c.£24,000*

The King's Fund is an independent charity with an annual income in excess of £4 million. It seeks to stimulate the highest standards of good practice and innovation in all aspects of health care and management through research and development, education and direct grants.

They require a qualified Accountant (preferably IPFA or ACA) for their senior finance post. The current holder is retiring at the end of 1985. Responsibilities will include all aspects of management reporting, grant-making and the financial arrangements for the King's Fund College and King's Fund Centre. A substantial input to the Fund's strategic decision making and further computerisation of the present accounting system will also be required.

Candidates will have high professional standards, an interest or experience in the health care field, and the ability to communicate effectively at all levels.

Please reply to Martin Manning with details of age, career and salary progression, education and qualifications, quoting reference 1503/FT on both envelope and letter. Candidate details will be discussed in strict confidence with our client.

Deloitte Haskins+Sells
Management Consultancy Division
P.O. Box 198, Hillgate House, 26 Old Bailey, London EC4M 7PL

Financial Executive

Candover Investments Plc

Our client, Candover Investments, is a leading, City-based public company in the provision of development capital and management buy-out finance, and has ambitious plans for further expansion, particularly in the area of large buy-outs. Since its formation in 1980 the UK portfolio has grown rapidly, together with some important US interests.

Reporting to the Chief Executive your role will be to appraise businesses, structure deals, negotiate with vendors and eventually represent Candover on the board of buy-out companies.

You could currently be employed by an institutional investor, by the investigation or consultancy division of a professional practice; in a merchant bank; or at the headquarters of a diversified group. Experience of investigations is essential. An accounting qualification would be a major advantage and above average educational qualifications would be helpful. Age: mid to late 30s. The potential rewards and prospects are excellent.

Please write to EH Simpson, quoting ref. ST435, at 11 Gough Square, London EC4A 3DE (telephone 01-583 3911).

Chetwynd Streets
Management Selection Limited

Truman Miles

Management Recruitment Consultants

ACA'S for Merchant Bank

A respected City House, in the forefront of today's financial service markets, offers an accounting introduction to graduates aged 25-27. Application is not restricted to just the large London Offices, or to Bank Audit experience.

A mortgage subsidy and relocation assistance is provided amongst traditional benefits, together with a good initial salary for these appointments as Chief Accountant of a specialist subsidiary or to the Audit and Investigations team.

The Bank has an excellent reputation for providing career advancement opportunity and will give early recognition to ability and ambition.

Call or write, *in confidence*, to
Bob Miles 01-248 2002/3
and 01-568 0085 (Home)
10/11 Bishops Court, Old Bailey
London EC4M 7EL

Significant man-management role for a finance professional with one of the world's leading international high-technology companies

Financial Accountant

West London

As the market leader in a number of important sectors of the computer and peripherals marketplace, our client has an outstanding reputation for product quality and marketing skills in the UK and overseas. The foundation of this success lies very much in the company's ability to formulate and implement sound financial strategies. A most significant role is now available within this area.

The Financial Accountant will hold line responsibility for a wide range of key activities which will entail the day-to-day management of departmental personnel. As well as the traditional areas of Financial Accounting and Reporting, the person appointed will have specific responsibility for Receivables and Payables, and for liaising with the company's home and international bankers. Cash management is considered to be a key task. An initial priority will involve playing an important role in the upgrade of the computerised accounting and reporting system through the introduction of an IBM 36.

This position will suit a qualified or experienced accountant with sound systems knowledge who has successfully held a supervisory role within a medium/large company. As cheque signatory, maturity and credibility is essential. The package includes salary c£17,000, substantial performance related bonus, quality company car, pension scheme and BUPA.

PDL Applications are welcome from men and women who should write in confidence: Terry Toms, Peterson Davidson Ltd., Recruitment Consultants, Elliott House, 28A Devonshire Street, London W1N 1RF. Tel: 01-486 8991.

RECRUITING FOR TOMORROW'S WORLD

Manager Internal Audit

Major Financial Services Group Portsmouth

Schroder Financial Management provides an integrated and comprehensive range of financial services to individuals, partnerships and private companies. We currently employ over 600 staff based in over 20 locations in the United Kingdom.

A vacancy has arisen in our Head Office in the centre of Portsmouth for a Manager of the Internal Audit Department. Reporting to the Chief Internal Auditor of the Schroder Group, the Manager, Internal Audit will be responsible for ensuring that Group accounting standards and controls are maintained, and will be expected to contribute to the development, implementation and monitoring of all processing systems.

The requirement is for a qualified accountant with relevant experience gained in the profession or in the financial sector. The nature of the role calls for a high level of communication skills and the ability to interact effectively with senior management within the Group.

In addition to a competitive salary, we offer a substantial range of benefits, which includes a Company car, mortgage subsidy, non contributory pension scheme, and comprehensive relocation assistance.

For further details and/or an application form, please write or telephone:

G.M. Keeley, Group Personnel Manager, Schroder Financial Management Limited, Enterprise House, Isambard Brunel Road, PORTSMOUTH, PO1 2AW. Telephone Portsmouth (0705) 827733 Ext. 335.

Schroder Financial Management
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ema

Chief Accountant

Cambridgeshire **To £20,000**

Our client is a substantial and highly successful public company which is growing very rapidly, is highly acquisitive and has doubled its profit in the last two years. The financial function plays an important role in this fast moving and stimulating environment and is now being further developed to ensure that it is ready to support future planned growth.

Responsible for the control and direction of monthly consolidations and statutory accounts, the successful candidate will also be closely involved in taxation and acquisitions and will therefore need to have a good understanding of the technical complexities of these areas.

This is a truly exciting opportunity, ideally suited to a qualified accountant, aged 27-32, who has strong, proven technical abilities, is probably currently with a big 8 firm or has, possibly, already entered industry and who has the personal skills to progress within this dynamic, acquisitive group.

The location allows fast and easy access to London while offering the quality of life which attaches to lower housing costs in one of the more attractive parts of Cambridgeshire.

Please write enclosing a career/salary history and day-time telephone number to Richard Norman FCA *quoting reference* 1/2317.

EMA Management Personnel Ltd.
Halton House, 20/23 Holborn, London EC1N 2JD.
Telephone: 01-242 7773 (24 hour).

FINANCIAL MANAGER

Age: 28 – 35 **c £20,000 + car**

Hertfordshire

The Group, a market leader in the photographic processing industry, is enlarging its activities in high street retail shops and requires a Financial Manager to be responsible for the efficient running of the accounts function.

Reporting to the Finance Director, you will be expected to play a key role in the management team, and your responsibility will be for a department which controls all accounting, performance monitoring, planning and administrative matters. The design and development of management information and computer based systems are a prime requirement.

Candidates must be qualified accountants in the age range 28-35, with sound post qualification experience, including a knowledge of computers. Experience in the retail sector would be an advantage.

The salary of c £20,000 + car and attractive fringe benefits includes an annual bonus around one month's salary.

Please send a comprehensive career résumé including salary history and day-time *telephone number quoting ref:* 2308 *to* W.L. Tait, Executive Selection Division.

Touche Ross
The Business Partners
Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

FINANCIAL CONTROLLER

(Director Potential)
Young Expanding Exclusive Hotel PLC

HOME COUNTIES **to £23,000+**

This newly established company seeks an energetic, commercially orientated, qualified accountant to join its management team, to be responsible for all aspects of management and financial accounting and corporate administration. There will be a high level of involvement in day to day hotel operations, systems and financial planning to support the company's ambitious expansion programme.

The ideal candidate will have a sound knowledge of hotel systems and will be able to work and communicate well with colleagues of different disciplines at all levels. Board appointment is envisaged at an early stage.

Please apply in complete confidence to the company's recruitment advisers, sending a full c.v. and salary history if writing, for the attention of:

Howard Field FCA,
SELECTED ACCOUNTS PERSONNEL,
Suite 321, Holborn House, 52/54 High Holborn,
London WC1V 6RL Phone: 01-242 0509

Manager Audit Services

Banking — Scotland **c.£20,000 + benefits**

Our client, one of the major clearing banks, is upgrading the function of its inspection and audit department and wishes to appoint a qualified accountant to this position, reporting to the chief inspector.

Applicants should be chartered accountants, aged 28 to 40, with substantial experience of bank auditing either in a major professional firm or in another bank. The position will involve a substantial degree of staff management and general development of an effective audit function.

Future prospects will be in the area of general financial management in the bank.

Please address brief personal and career details to Douglas G Mizon quoting reference F/775/M at Ernst & Whinney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

Ernst & Whinney

INVESTMENT ACCOUNTANT

We are a prestigious and rapidly expanding Company in the Financial Services sector seeking to recruit an ambitious and highly motivated Investment Accounting Manager. The successful Accountant will control a small department responsible for all Investment Accounting and related Tax matters.

Candidates should be qualified Accountants with a working knowledge of computerised reporting, preferably in a relevant sector, and with sound technical skills.

Remuneration circa £16,000 plus an excellent benefits package, including 5 weeks' holiday, non-contributory pension scheme, stock option and profit sharing schemes.

HILL SAMUEL
LIFE ASSURANCE

For further information please contact: Patricia Copeland, Hill Samuel Life Assurance Ltd, NLA Tower, 12-16 Addiscombe Road, Croydon, CR9 2DR. Tel: 01-686 4355 extension 2382.

Accountancy Appointments

Treasury manager

London W1, to £25,000 + car

C&L

A major quoted leisure and services group with turnover in excess of £700m wishes to recruit a treasury manager as part of the Group's programme of strengthening the corporate financial function.

As part of the Group's small head office team you will report to the Group Financial Controller. You will be responsible for the development and monitoring of group cash management systems and group borrowings, managing foreign currencies, liaison with individual group companies to increase awareness of treasury management opportunities and liaison with bankers.

Aged about 30 you should be a qualified accountant with two to three years' experience of the treasury function preferably gained in a head office treasury department. Career prospects are excellent.

Résumés including a daytime telephone number to Torrance Smith, Executive Selection Division, Ref. S006.

Coopers &Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Fleetway House 25 Farringdon Street
London EC4A 4AQ

Financial Controller

South London £22,000 + Car

Our client is a strong, rapidly growing group of companies which specialises in the *refurbishment and high-quality fitting-out of buildings for* blue-chip companies and financial institutions. Current and planned growth create the need for the new post of Financial Controller, which will carry the responsibility to the Executive Chairman for the Group's financial and administration functions.

These functions, already extensively computerised, must grow in parallel and sophistication with the Group, and the successful candidate, who will be aged late 20's upwards and a qualified Accountant, will demonstrate the ability to lead and develop this growth. Experience could well include a period in the building industry. It will certainly include the control of an Accounts department and the development of rapidly reactive, computerised management information and control systems.

The appointee will have resilience, tact and dedication, and will be expected to make a creative input to the management of the Group. In return, prospects for growth both with and within it are extremely attractive. Other benefits will include contributory pension and private medical insurance. Assistance will be given with necessary relocation expenses.

Letters of application, together with CV, salary progression, and any other relevant data, should be sent without delay to Mr. C.A. Cotton, Executive Recruitment Division, Stoy Hayward Associates, 3rd Floor, Waterloo House, 20 Waterloo Street, Birmingham, B2 5TF, quoting ref: M721.

Stoy Hayward Associates
MANAGEMENT CONSULTANTS
A member of Horwath & Horwath International

MANAGEMENT AUDIT

Hoechst UK is part of a major international group which is involved world-wide in the manufacture and supply of a wide range of industrial and consumer products.

As a result of the appointment of our previous Internal Auditor, to a senior management position in one of our subsidiaries, we are now seeking a replacement. The Internal Auditor is a senior position which reports directly to the Chairman of the Finance Division. The job involves carrying out management audit both within Hoechst UK and in a number of our UK subsidiaries.

Candidates should be Chartered Accountants with a minimum 3/4 years post qualifications experience either in an international firm of accountants or in industry or commerce.

We are offering a competitive salary and benefits package, as would be expected of a major international organisation.

If you are interested, please write or telephone for an application form to Mrs. Sue Hunt, Personnel Administration Assistant, Hoechst UK Limited, Hoechst House, Salisbury Road, Hounslow, Middlesex, TW4 6JH. Tel: 01-570 7712, extn. 3108.

Hoechst

Assistant Treasurer

c£22,500 + car

A major public group with substantial and diverse UK and international business interests, our client is growing both organically and through acquisition.

Working as a member of a small team based in the London headquarters, the Assistant Treasurer will be expected to make an important contribution to the effective management of the group's resources. With responsibilities covering the full range of treasury activity including the establishment of group-wide cash management and forecasting procedures, he or she will have considerable exposure to senior management both within the headquarters and at the operating companies.

Aged 28-35, applicants must have broad treasury experience preferably gained in an international group.

Please write, enclosing a career/salary history and day time telephone number to David Hogg FCA quoting reference H/289/TF.

Lloyd Management
125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

A.C.C.A. OR A.C.A.

Package Above £20,000

City * * * Prestige Bank * * * Substantial Benefits

Our client is an AAA rated banking organisation. We are seeking on their behalf a qualified accountant aged above 25, with some banking experience, who is ready for his or her first career move in the banking sector.

If you are keen to develop rapidly into a management position within the Financial Accounting and *Controlling* area – *and consider* that you can contribute to the development of accounting and control procedures, then this is a significant opportunity to apply your skills in an internationally orientated environment.

After a sound familiarisation process which should include a visit to the European parent company, the successful applicant will develop involvement in a wide range of responsibilities including new systems and the professional development of young staff.

If you would like to discuss how this position fits with your career strategy, then please write to, or telephone, Derek Burn or Jane Harker at MCP Consultants, Halton House, 20/23 Holborn, London EC1N 2JD. Telephone: 01-405 9000/9001

MCP Consultants
Financial Sector Human Resources

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY
Rate £37.00 per single column centimetre plus VAT

Systems Development and Financial Control

A route to top management for a Chartered Accountant

Earnings c.£30,000 + car Professional Business

This post is with a major London-based professional services practice employing some 250 people in the UK – an international leader in its field. Growth has been outstanding and the forward projections, both in the UK and worldwide, are very positive.

The role is to manage the design, implementation and operation of computer-based financial and management information systems appropriate to the company's next phase of development. It will involve gaining the credibility of both the professional and supporting staff and building an effective financial *management service to the Board.*

Candidates, probably in their late twenties or early thirties, must be chartered accountants, ideally now working in a professional firm or a service business. Desirable is experience in all parts of the financial function: essential is up-to-date *computer and systems knowledge. There is ample scope for further development* to a top financial management role in the practice or in another part of the Group.

Terms include a performance related bonus and BUPA.

Please write – in confidence – with full details to Brian Woodrow ref. B.73304.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited, 52 Grosvenor Gardens, London SW1W 0AW.

Offices in Europe, the Americas, Australasia and Asia Pacific.

HAY-MSL
MANAGEMENT SELECTION

Financial Controller

Swindon c£20,000 + car

Our client is currently being established as the U.K. sales and *service subsidiary* of a *West German company. The company is a* world leader in the manufacture of flexible packaging machinery and has sales and service facilities in over fifty countries.

The U.K. organisation now being formed requires a commercially aware accountant to join the management team to establish and manage the accounting and computing activities for the operation. There will also be a significant role in providing financial guidance for the planned expansion of the operation and developing appropriate operational systems.

The successful applicant, aged 28–40, will be a qualified accountant who has at least five years managerial experience gained in a small but expanding environment, ideally involved in sales and marketing or light manufacturing. Practical experience of computerisation is also essential.

In the first instance please write in complete confidence quoting reference 6092 and submitting a curriculum vitae to:

**Peter Childs,
Pannell Kerr Forster Associates,
New Garden House,
78 Hatton Garden,
London EC1N 8JA.**

Pannell Kerr Forster Associates
MANAGEMENT CONSULTANTS

Young Qualified Accountant

Advertising c.£15,500

We are a medium sized specialist advertising agency with a turnover of around £3m.

As our Company Accountant, supervising a staff of two, you will be responsible for all day-to-day accounting matters (bought, sales, nominal ledgers, payroll, credit control, management figures etc.). You will also be expected to review existing systems and investigate and make recommendations for the possible implementation of computerisation.

Probably in your mid/late 20's, your qualification should be supported by several years' experience in a commercial environment.

Salary is negotiable as indicated, supported by a good range of benefits including profit share.

Please apply with full c.v. to David Miller, Managing Director,

ROBERT MARSHALL ADVERTISING LIMITED
44 Wellington Street, London WC2E 7DJ.

Financial Director Designate

Sheffield, Retailing c £25,000 + car

A large privately controlled retail business, with a substantial store base spread throughout the UK, is seeking to appoint an experienced Financial Director Designate.

The position will entail full responsibility for all aspects of accounting and financial management throughout the group with an emphasis on computer-based systems development. An early appointment to the board is envisaged.

The person appointed will currently hold a position of comparable responsibility in a significant and well run multiple retail business. Some practical experience of company acquisitions and public floatation would also be highly beneficial.

The level of the remuneration package, which will include an executive car, is unlikely to be a limiting factor in attracting suitably qualified candidates. The probable age range is 30 – 45.

*Please write in confidence with brief career details quoting reference L/515 to Mr T. A. Elster,
Peat Marwick Mitchell & Co.,
Executive Selection Division,
City Square House, 7 Wellington Street,
Leeds LS1 4DW.*

PEAT MARWICK

Richard Ellis

FINANCIAL SERVICES

Due to the expansion of Richard Ellis Financial Services, there is now a vacancy for an enthusiastic and entrepreneurial professional to join the team in the City. The successful applicant will be expected to generate further business in the areas of non-institutional; tax related, corporate property finance and consultancy work.

The ideal candidate will be aged under 30, qualified ACA/ARICS or similar, with a minimum of 3 years post qualification experience within the property investment or corporate finance markets.

Experience with a merchant bank or other financial organisation would be *helpful.*

Salary and other benefits by negotiation.

Please telephone in confidence or write with full C V and salary required to:

Michael Dix, FRICS
Richard Ellis, Chartered Surveyors
64 Cornhill, London EC3V 3PS
Tel: 01-629 6290

GROUP FINANCIAL CONTROLLER

We are a leading video production company in the UK with major associated interests in sales and management training. We are expanding rapidly and hope to go to the USM, or similar, within the next five years.

We need a Financial Controller capable of becoming our Financial Director at a later date. The successful candidate will be an ambitious 28-35 year old professionally qualified and will have experience of a large accountancy practice with a wide based knowledge of corporate finance.

Please write in confidence to
John Mayhew, Managing Director,
IETC Infovision Ltd,
Bradley Close, White Lion Street, London N1.

Infovision

Accountancy Appointments

Senior Accountants

London – South of the Thames
To £18,800 (under review)

Following privatisation and reorganisation, British Telecom London offers a number of significant career challenges. Two immediate opportunities occur South of the Thames in the Waterloo/Lambeth area for senior accountants.

Both appointments call for highly motivated managers, preferably aged 28–48, prepared to work under pressure when necessary and capable of developing fruitful relationships with departmental managers and staff.

Management Accountant
Responsible to the Area Chief Accountant for co-ordination and control of all management accounting and budgetary control systems in the Area.

You will direct all financial reviews, forecasts and analyses of Area contribution statements and balance sheets. You will also be responsible for reporting monthly results to the Area Executive Board.

Either qualified or part qualified with relevant experience, you must have a background of budgetary control, management reporting and variance analysis in a major business. Familiarity with computer aids would be an advantage and experience of costing systems desirable.

Financial Accountant
Responsible to the Area Chief Accountant for control and development of the Area's finance systems and for presentation of statutory accounts and monthly trial balances.

Main activities will include overseeing the operation of our computerised accounting system, general ledger, stores accounting and fixed assets systems.

Professionally qualified, your background should include stores and fixed assets accounting and, ideally, experience of computerised general ledger.

With stringent deadlines to meet, staff management skills are particularly important.

Please send your CV and relevant career data (it is important to include a day telephone number, which will be used with discretion) quoting reference FT/03, to Graham Mead at British Telecom London, Recruitment and Selection Centre, St Giles House, 1 Drury Lane, London WC2B 5RA. Alternatively, call Graham Mead or Tony Gasper on 01-836 4653 for further information.

Closing date for applications is 20th September 1985.

British TELECOM London

ACA with City Background
(Director Potential)

£15K-£18K + car — **Mayfair W1**

As an autonomous member of a wealthy and distinguished British group, this young, dynamic company has produced impressive profits in its first 2½ years of international trading. It has already established a reputation for its professionalism & specialsist knowledge within its field and realistically expects to become one of the market leaders. Moreover, it is expected that the company will seek a listing within the medium term.

In line with this corporate strategy, the Directors seek a graduate Chartered Accountant with up to 3 years' post-qualification experience to head the day to day accounting function.

Reporting to the Finance/Commercial Director, the selected candidate's role will embrace the provision of detailed evaluation reports on new & existing business projects and treasury & cash management, including the investment of funds and foreign exchange. An immediate and ongoing task will be to develop the accounting & management information systems, which are presently at varying stages of computerisation, involving close liaison with line management.

Integrity, determination and a conceptual accounting mind are prerequisite qualities for this appointment. Financial & career rewards are appreciable.

Applicants, male or female, should apply in confidence to Mercuri Urval Limited, 1 College Road, Harrow, Middlesex, HA1 1YZ, or telephone 01-863 8466, quoting Ref. No. 599.

Mercuri Urval

Financial systems consultancy for public utilities

Coopers & Lybrand Associates is the largest firm of management consultants in the U.K. There is an established and increasing demand for our services in commercially orientated public utilities both in the U.K. and overseas.

As a result, we need more ambitious and experienced accountants who are looking to further their career by a move into management consultancy whilst still recognising the need to use their acknowledged and highly marketable technical skills.

You will be a qualified accountant, probably with additional academic or business qualifications, between the ages of 27 and 32. You should have a proven track record and be an able communicator at all levels of management.

For your outstanding personal and technical skills we offer an excellent remuneration package together with good promotion prospects directly related to your performance.

If you recognise that the potential built into your career so far will enable you to make a major contribution to the development of our consulting services, please send a career résumé quoting ref. 4/6, together with a daytime telephone number to Alan Goodman, Coopers & Lybrand Associates, Fleetway House, 25 Farringdon Street, London EC4A 4AQ.

Coopers & Lybrand

For business committed to growth.

Overseas Financial Controller

c £20,000

A major British service industry group has a record of profitable growth combined with a reputation for ethical dealings. Continuing expansion overseas has dictated the need for strong financial controls in subsidiary and associated companies.

Reporting to the Financial Director, International, you will supervise the overall efficiency of local accounting functions, ensure that accurate and timely management accounts are produced and consolidated. You will also monitor individual procedures and systems to ensure conformity with national laws and tax practices. Based in Central London, up to 35% travel is involved mainly 2/3 days at a time to Europe but occasionally with longer visits to the Far East, Middle East and Africa.

In your late 20's/early 30's, an ACCA/ACMA or ACA with at least two years post qualifying experience in commerce, you will need to have the flexibility of approach and the strength of personality to communicate effectively with local management. A knowledge of French would be an asset in this challenging non audit post.

Please apply to I.M.G. O'Hare, 160 New Bond Street, London W1Y 0HR or telephone 01-629 4226.

MANN
MANAGEMENT

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY

FINANCIAL CONTROLLER

Hampshire — **c£23K+car**

You are a Chartered Accountant, probably aged between 30 and 40, and have earned an excellent reputation for your technical accounting skills and leadership ability. This is an opportunity to realise your full potential in a fast moving, aggressive and expanding business.

Our client is an international manufacturing company at the forefront of technology in the development of electronic instrumentation. Forming part of a leading American industrial group, the need has arisen to appoint a Financial Controller at the European Head Office.

Reporting to the Director of Finance, this is an influential role. Key areas include control of financial policy and the flow of financial information from operating units, detailed US reports, statutory accounts, tax planning and budgets. Inter personal skills in managing people and liaising with fellow professionals are vital.

You must be prepared to make substantial career moves, already have experience in multisite operations in an international context, be familiar with US reporting requirements and possess the strength of purpose needed to succeed in a highly competitive environment.

To pursue this opportunity, please contact Nigel Murray, quoting Ref: TA 1316.

Management Personnel
Recruitment Selection & Search
Shaw House, 2 Tunsgate, Guildford, Surrey GU1 3QT
Telephone: (0483) 65566 (out of hours (0730) 67808)

Assistant Financial Controller

Bristol — **£20,000+car**

For the head office of a division with sales of over £800 million employing nearly 3000 people, part of a large and successful UK based international group.

Key tasks will include monitoring the financial performance of numerous operating units throughout the UK, helping formulate business strategy, improving reporting systems and handling ad hoc projects.

Candidates should be in their mid 30's, graduates, probably Chartered Accountants with at least three years' experience at the head office of a UK company, covering consolidation of accounts, computer based systems, business analysis, financial management and a desire to gain involvement in wider commercial issues.

There are exceptional prospects for personal development and growth including general management possibilities and this appointment is seen as an opportunity to strengthen the senior management of the division.

Please write – in confidence – to David Dodd ref.B.17668.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,
50 Queen Square, Bristol BS1 4LW.
Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

HAY-MSL
MANAGEMENT SELECTION

Recently qualified accountant

Surrey c.£16,000+car

Redland plc is one of Western Europe's largest and most successful manufacturers of building products and materials. A vacancy exists in the company's Head Office Treasury function, based in Reigate. This is a career opportunity in a growth-oriented lively environment for a recently qualified accountant.

The job is that of Assistant Treasurer and will involve the management of major cash and currency transactions and exposures. The appointee will deal with bankers, lawyers and the money markets, in an environment which makes effective use of up-to-date information and communication systems.

Applicants will be able to demonstrate an enterprising but controlled work approach, exhibit plenty of ambition and drive, and possess above-average social and intellectual skills. You will be a Chartered Accountant dedicated to becoming a Senior Manager in your 30s.

The successful candidate will join a well-established team, with a growing reputation, and perform a key role in the worldwide management of the company's cash and in maintaining its liquidity.

The job represents an outstanding opportunity to make a demanding but rewarding start to your business career in an important operational and strategic activity.

To apply, please send brief personal and career details to Peter Naylor, Cox Naylor Organisation Consultants Ltd, Enterprise House, 7 Battlemead Close, Maidenhead, Berkshire SL6 8LB.

Group Management Accountant

London — **to £25,000 + car**

A major group of manufacturing and merchandising companies with an impressive profit record in recent years is seeking to appoint a group management accountant to join a small central finance team based in London.

The position will report directly to the group finance director. In addition to the management accounting, budgeting and planning responsibilities it will involve working on a variety of projects of key importance to the expansion and development of the group.

The group are looking for an able chartered accountant (probable age range 28–35) with the experience, drive and enthusiasm required to make a strong contribution in this important new position. An attractive remuneration package is offered and there are excellent career development prospects for the right person.

If you feel you meet the requirements for the position please write in confidence to
Mr T. A. Elster,
Peat, Marwick, Mitchell & Co.,
Executive Selection Division,
City Square House, 7 Wellington Street,
Leeds LS1 4DW, quoting reference number L/511.

PEAT MARWICK

GROUP FINANCIAL ACCOUNTANT

An outstanding opportunity for a young accountant

West London — **Excellent Neg Salary + Car**

- Our client is a well-established group **manufacturing and distributing worldwide** a wide range of engineered products. Turnover from **UK and overseas** subsidiaries exceeds £24M.
- For a qualified accountant aged 25-30 with **upwards of three years industrial experience**, this position offers an opportunity to work closely with the Group Financial Director at group level on a **wide range** of finance matters in a **diverse international environment**. Some experience of computerised accounting systems is essential.
- Salary is negotiable, and benefits are international group standard.
- Candidates, male and female, **please write enclosing career and salary details** to David T Bentley, Senior Consultant, 3i Consultants Limited, 5 Victoria Street, Windsor, Berkshire SL4 1EZ **quoting DB/547.**

3i Consultants Limited
Recruitment Division

Accountancy Appointments

Financial Accountant

c£17,000+Car
West London

This is an opportunity for a Chartered Accountant to move from the profession to a line management position in a £45 million subsidiary of a major electronics group.

The Financial Accountant will be involved in the introduction of current generation computing in addition to controlling a department whose responsibilities include management reporting as well as financial accounting. Success in this role should lead to promotion opportunities in the Group which has extensive interests in the UK.

Applicants should have a minimum of two years post qualification experience including regular involvement with computerised accounting systems. Age guideline 26-30.

Please apply in confidence, quoting ref. L 194, to:

Chris Haworth,
Mason & Nurse Associates,
1 Lancaster Place, Strand,
London WC2E 7EB.
Tel: 01-240 7805.

Mason & Nurse
Selection & Search

Young CA/ACA

Berkshire
c£25,000+car

A chartered accountant aged say 27-30 with current or recent experience in one of the major UK accounting practices is sought to strengthen the central controllership team of a quoted manufacturing group with international interests. The quality and scope of pre- and post-qualifying experience is paramount.

He/she will be immediately involved at a high level in the development of control and reporting systems and their constructive use in improving profit performance both in revenue and expense areas. Prospects are excellent.

For full job description, write in confidence to John Courtis at JC&P, 104 Marylebone Lane, London W1M 5FU showing clearly how you meet our client's requirements, quoting 7184/FT. Both men and women may apply.

JC&P
John Courtis and Partners

Jackson-Stops & Staff

A Job in the Country

This established firm of Estate Agents and Chartered Surveyors wishes to employ a potential Financial Director. Responsible for the financing of the business, monitoring the performance and working with the Chairman to implement strategies for future growth. Qualified Accountant preferred, age between 30-50.

Located in the pleasant county of Northamptonshire. Salary £18,000 plus profit related bonus and car. Friendly business where a firm but tactful approach is necessary.

Replies treated in confidence to
TWA Jackson-Stops 14 Curzon Street, London, W1Y 7FH.
Letters only please.

National Agents with Regional Knowledge

YHA

FINANCE DIRECTOR

St Albans, Herts **Circa £17,000**

The Youth Hostels Association is an organisation dedicated to the development of young people's leisure activities in the UK. It is part of an international movement which has over 5000 hostels in 53 countries.

The YHA (England & Wales) has over 250 hostels and approximately 250,000 members. YHA (England and Wales) has an annual turnover of £11 million.

Recent reorganisation and the creation of a new senior management team has provided a challenging opportunity for an ambitious financial manager.

Reporting to the Chief Executive, the successful applicant will be responsible for developing and implementing financial policy nationally, including investment plans, hostel acquisition, financial management, budgets and monitoring financial performance.

The ideal applicant, aged 30-45, will be an FCA or hold comparable qualifications. He/she should also have an excellent knowledge and experience of all financial aspects of a charity, together with a thorough understanding of the applications of computers.

This is an important position with tremendous career potential. Please write with full C.V. marked for the personal attention of: Andrew Chinneck, Chief Executive.

Youth Hostels Association
(England & Wales)
Trevelyan House, St Stephen's Hill, St Albans,
Herts AL1 2DY.

Project accountant

Surrey, to £24,000 + car

C&L

This international group has grown rapidly in the past 10 years and has built up an excellent profit record with turnover now running at $80m.

From a sound construction industry base it has moved successfully into agriculture, manufacturing and real estate. The group's relatively small UK operations are now being extended rapidly with a major new development in hotel construction (and later management) at the footings stage. Substantial further resources are available for a broad based UK expansion programme.

Reporting to the UK group MD you will start by setting up and running the accounting systems needed to control the hotel project. Thereafter with a much wider ranging brief you will work with top management in providing the accounting support needed to plan and monitor the UK development programme.

This is a real opportunity for a lively qualified accountant, aged around 30, who is a good all rounder with 2 or 3 years' post-qualification industrial or commercial experience. Construction industry know-how is not important but what does matter is whether you have the ability to adapt quickly to the fast moving entrepreneurial style of an international group intent on going places.

Résumés including a daytime telephone number to Torrance Smith, Executive Selection Division, Ref. S012.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Fleetway House 25 Farringdon Street
London EC4A 4AQ

CHIEF ACCOUNTANT

£20-23,000

CITY

For one of the largest and most prestigious firms of solicitors in the UK which serves the financial and commercial community and has grown rapidly in recent years. In addition to a substantial presence in the City of London, they have three further offices overseas.

The continuing expansion of the firm involves considerable change and development in the accounting area. The successful applicant will work closely with the Head of Finance & Administration on a wide range of special projects and exercises, analysing and evaluating options, and providing information to aid the decision making process, in particular, the management of growth. Other responsibilities will include controlling an efficient accounting department of 18 to 20 staff, monitoring peformance, systems development and advising the partners on financial matters.

Candidates should be Chartered Accountants, probably aged 26-35, with a minimum of one year's post-qualification experience, gained either in a commercial environment, or in a non-audit position within the profession.

The above average benefits include family BUPA cover, permanent health insurance and a good pension scheme.

Please send your career and current salary details to Barry C. Skates at the address below.

MKA SEARCH INTERNATIONAL LIMITED
Berkshire House
Queen Street
Maidenhead SL6 1NF
Telephone: 0628 75956

MKA

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Controller

Inventory & Distribution Operations
North West, c. £22,000 + Bonus + Car

This senior financial management position, within one of Britain's foremost high technology manufacturing companies, is responsible for the financial control and management of the company's inventory and distribution operations.

Supported by professional teams at several UK locations, the position requires a Graduate Accountant, age 28-35 years, with experience gained in a high volume manufacturing or distribution company operating sophisticated control systems.

Candidates will combine commercial acumen with a flexible and creative approach to business issues and solutions. The position provides obvious career opportunities and could be a springboard to general management.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a personal history form to *R.D. Howgate*, **Hoggett Bowers plc**, *St. John's Court, 78 Gartside Street*, **MANCHESTER**, *M3 3EL*, **061-832 3500**; quoting *Ref: 27404/FT*.

Finance Director

London, W.11 **c.£20,000+car**

Our clients are a rapidly expanding, profitable and aggressively entrepreneurial group who are quickly establishing an outstanding reputation as exhibition and conference organisers. As part of their ambitious growth plans, which include entry to the USM next year, they intend to strengthen further the management team by recruiting a Finance Director.

The prime tasks include tightening financial and cash control through prompter and more effective accounting information, monitoring actual results regularly against comprehensive budgets and making greater use of computerisation.

Applicants, preferably aged 28 to 33, must be able, mature and well qualified, with relevant commercial experience and used to making a constructive contribution at a senior level. The salary is negotiable around £20,000 p.a. plus car, PPP and pension scheme.

Please write in confidence with full details of previous experience, quoting reference 6645/L, to J. W. Hills, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

Joint Venture Auditor

Oil Industry

DEMINEX UK OIL AND GAS LTD is the British subsidiary of a German exploration and production group with a substantial growth record in the oil industry and active participation in the North Sea.

Due to internal re-organisation we now wish to recruit a Joint Venture Auditor who will directly assist and report to the Head of Financial Services. You will be expected to ensure that the audit rights for all our projects are exercised and that the annual audit programme (10 in 1985) is comprehensive and effective. You will assist in defining audit scopes and carry out audits independently after which your report will identify and deal with any items of exception.

You should be aged 25-50 with a professional accounting qualification, have a general knowledge of oilfield practice, and be free to travel frequently throughout the UK.

In return we offer an excellent salary with impressive benefits package including free commuting.

DEMINEX

Send full c.v. now to: Mrs F Comrie-Smith, Personnel Officer, DEMINEX UK OIL AND GAS LTD, 6th Floor, Bowater House, 68 Knightsbridge, London SW1X 7LD. Telephone: 01-589 7033

FINANCIAL CONTROLLER

£18,000 + Car **South Manchester**

Our clients, part of an expanding financial services group, wish to recruit a Financial Controller to join their young and enthusiastic management team.

Reporting to the Managing Director the successful applicant will assume full responsibility for the Company's accounting, treasury and systems functions as well as acting as Company Secretary.

Applications are invited from qualified chartered accountants with at least five years experience in a banking or a similar environment. A keen commercial awareness, knowledge of the use of computers and the ability to communicate with all levels of management and staff are also required.

The senior nature of this appointment is reflected in a package that includes a salary of at least £18,000, car, pension scheme and private health insurance. Prospects within the Company and the Group are excellent and a seat on the Board can be expected following a period of successful performance.

Applicants are invited to send a full career résumé, including salary history and day-time telephone number to Steve Ranger, Executive Selection Division.

Touche Ross
The Business Partners
Abbey House, 74 Mosley Street, Manchester M60 2AT. Tel: 061-228 3456

International Auditor

London Area **To £20k + car**

Our client is a major, multi-billion pound turnover British Group with its wide range of businesses well established throughout the world.

The company is committed to upgrading its management systems and consequently requires an outstanding accountant to ensure that maximum benefit is obtained from its enhanced procedures.

Candidates must be qualified accountants who have audit experience with computer based accounting systems in a multi-national Company, or who are still with a leading professional firm. Essential qualities will be the ability to produce concise reports and practical recommendations, as well as the interpersonal skills to communicate at all levels. There will be a significant degree of travel with the post.

It is anticipated that the successful candidate will be appointed to a line management position in the Group within 2/3 years.

The attractive remuneration package reflects the importance of the position and includes a car and other benefits normally associated with a major company.

Please reply in complete confidence, enclosing full career details to Mike Hann, Director, Bull Thompson and Associates Limited, 63 St. Martin's Lane, London WC2N 4JX (Tel. 01-240 3561), quoting reference 1036.

Bull Thompson
CORPORATE AND RECRUITMENT CONSULTANTS

FINANCIAL CONTROLLER

N.W. LONDON
to £20,000+car

The company is a leader in the importing and marketing of specialist production equipment to the food retail and processing industry throughout the UK. Significant decisions have been taken recently which have already seen the company grow in both activity and profitability. Sales are currently just under £3m. and will continue to increase. Future plans may include developments of a more strategic nature.

The Financial Controller is an integral part of a decision-taking management team. The role demands a consistent, commercial and profit-motivated input to each and every aspect of the company's activities. Priorities will include creative stock management, tight currency control and re-motivating a small, hard-working support team.

Candidates will be qualified accountants, preferably graduates, with at least two years' recent experience in a successful sales-driven company. Evidence will be required of commercial flair and of hands-on involvement providing accurate, timely and responsive information for management. Strong communicating skills combined with commitment, resilience and self-confidence are essential to success. Age indicator: early 30s.

To apply, please write with personal, career and salary information to:

Ian Tomisson, Executive Selection Division, Hacker Young Management Consultants, St Alphage House, 2 Fore Street, London EC2Y 5DH.

Hacker Young
MANAGEMENT CONSULTANTS

Accountancy Appointments

Finance Director

West London **c£25,000 + Car**

Our client is a young, dynamic £200m t/o group with significant interests in the leisure industry.

A Finance Director is now sought to head up the £40m t/o retail subsidiary, based at corporate headquarters in West London. Encompassing all aspects of financial control, responsibilities will include the co-ordination of statutory information, cash flow, financial and management accounting, computer systems development and effective man-management.

Probably a graduate, aged 27-35, you should be a qualified accountant with an exceptional career history and some retail sector experience. Energetic and self motivated, your commercial expertise will enable you to make a substantial contribution to the company's long term plans and corporate strategy.

Prospects for career progression with the Group are good and the salary package will include an executive car and the fringe benefits normally associated with a progressive, fast growing company. If you feel capable of meeting the demands of this challenging role, please write to Andrew Sales, FCCA, Executive Division, enclosing a comprehensive c.v., quoting ref. 275, at 31 Southampton Row, London WC1B 5HY.

MP

Michael Page Partnership
International Recruitment Consultants
London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Page PLC group

Operations Accounting Manager

c. £17K + car

A real challenge to make a significant impact.

Smiths Crisps, part of the successful multi-national Nabisco Group, produce and market a wide range of snack food products under the Smiths, Tudor, Planters and Big D brand names.

With a turnover in excess of £130 million and a commitment to greater business growth and profitability, our Finance function has a major impact on business planning. This means we can offer a real career challenge, with prospects to match, to a young accounting professional with sound commercial awareness.

The Operations Accounting Manager has a key objective to develop and implement control systems to identify product costs and manufacturing overheads. Another aspect will be the financial management of the Company multi-million pound capital expenditure plans. The job has functional responsibility for the management and co-ordination of manufacturing accountants located at production facilities throughout the country and will involve close contact with both factory personnel and management to director level.

Reporting to the Manager, Financial Analysis and Planning, this is a senior role, calling for an impressive record of relevant experience (supported by an ICMA qualification) and the strength of personality to give overall direction to our manufacturing accounting operation.

Reflecting the contribution we expect you to make, we are offering a highly attractive salary and a generous range of benefits, including a Company car. Moreover, there will be genuine opportunities for career progression within either the Company or the Group.

Please write, enclosing a full C.V. to: Keith Norton, Personnel Manager, Smiths Crisps, 121 Kings Road, Reading, Berks. Tel: (0734) 592812.

SMITHS CRISPS

NABISCO GROUPS

European Financial Accountant

HEALTH CARE INDUSTRY

South East *Circa £16,000*

Here is an excellent opportunity for a young Chartered Accountant seeking a considerable technical challenge, together with the opportunity of some foreign travel. Our client is a $500m multinational health care market leader, with operating companies in the UK, Ireland, Germany, France, Spain and Italy.

Reporting to the UK based European Financial Director, responsibilities include the accurate and timely consolidation of financial reports. However, the role will predominantly cover a wide variety of projects influencing the accounting strategies of the subsidiaries. Applicants will ideally be graduates, aged 25—28, with formal and broad based training gained in one of the major professional practices.

Career development prospects are excellent within this international company. The negotiable salary is supported by first class employment conditions, including full relocation expenses where applicable.

Male and female candidates should send a detailed CV or request an application form on 0625 533364 (24 hours) quoting reference 817/FT.

Wickland Westcott & Partners
LONDON PARIS BRUSSELS DUBLIN
Executive Selection/Management Development
Eagle Star House, 16a Alderley Road, Wilmslow, Cheshire SK9 1QX.
Tel: (0625) 532446.

New subsidiary of major US insurance group seeks an ACCOUNTANT

City **Up to £20,000**

One of America's largest insurance groups, which is establishing a new subsidiary in London to carry out facultative reinsurance business, seeks an Accountant to set up and subsequently operate its accounts function.

Reporting to the Chief Executive Officer, the Accountant will initially have only one clerical assistant and will therefore be required to do everything from day-to-day duties to producing full accounts and management reports. Systems will be computerised from the outset using a terminal linked to the USA.

Age is open and, whilst a qualification is preferred, the key requirement is relevant experience in the insurance industry which should include personal exposure to computerised systems.

Please send a comprehensive career résumé including salary history and day-time telephone number, quoting ref: 2310 to G J Perkins, Executive Selection Division.

Touche Ross
The Business Partners
Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

Young ACA - For Europe

NW London **Package to £17,000**

* **Could You . . .** form part of a dynamic professional team responsible for projects in marketing, manufacturing, and distribution throughout Europe?
* **Do You . . .** want to join a household name in consumer marketing, a World Leader, which offers excellent prospects in Senior Line roles to self-motivated adaptable people?
* **Have You . . .** at least 3 years sound experience in the Profession? Aged 25/32 you should have developed good communication/personal skills to match your career ambitions.
* **Can You . . .** spend around 30% of the year visiting field locations in Europe? A second European language would be a distinct asset.

If so, you should be keen to learn more . . . write or telephone Shubha Chawla quoting Ref: SC 9181.

Lloyd Chapman Associates
International Search and Selection
160 New Bond Street, London W1Y 0HR. Telephone: 01-408 1670.

FINANCIAL CONTROLLER

City **£20,000-25,000 package**

Solicitor's practice specialising in international commercial and shipping law seeks professionally qualified accountant for new appointment as head of recently computerised accounts department.

The successful applicant will have commercial ability to support the Partnership in its financial decisions and should be able to develop effective management reporting systems. Knowledge of solicitors accounting would be an advantage.

An ACA/ACCA (28-40) is sought with the motivation and capability of developing the financial management role as the Practice expands.

For initial interview contact
Jeff Adcock or Nan Williams

Adcock Simkin
Recruitment

LONDON OFFICE
20-22 Bedford Row
London WC1R 4EB
01-404 4500

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Financial Controller

Electronics Manufacturing and Distribution
South Middlesex, c £20,000 + Car

This independent British company supplies high technology components and sub-systems to major electronics manufacturers. Many of the products are sourced overseas, but an increasing number are designed and produced in-house. Growth has been impressive, and turnover of £4m is projected for the current year. Future prospects are bright, and USM entry is a medium-term objective. The person appointed to this new position will head a small but dedicated team, and assume responsibility for all financial and management accounting. A key task will be the development of systems, both manual and computerised, to meet the changing demands of the business. Candidates aged 28—35 must be qualified accountants who can demonstrate a successful contribution to the profitable growth of a manufacturing company. An understanding of international purchasing, and the financial management of R & D, would be advantageous. Excellent communication skills, commitment and initiative are essential for success. Potential for advancement is considerable. Relocation assistance is available if required.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a personal history form to S.P. Spindler, Hoggett Bowers plc, 36 High Street, Eton, WINDSOR, SL4 6BD, 07535 50851, quoting *Ref: 24017/FT.*

Treasury Accountant

Cheshunt ***£25,000+car***

The Tesco Group of Companies' resounding success in retailing has created excellent career prospects for accounting professionals, who have the talent and drive to meet the demands this growth has placed on the accounting functions.

The Company has rapidly responded to meet this change by creating an opportunity for a qualified accountant to manage the accounting and financial treasury activities. Responsibilities will include, Treasury Funding, Cash Control, Foreign Exchange, Cashier and Sales Ledger. Reporting relationships are to Director Level.

Our client is seeking a professional with at least three years corporate treasury experience, supported by significant exposure to financial planning, forecasting and budgetary control. Candidates must be able to demonstrate the ability to utilise cash to the corporate advantage.

It is highly likely that the person appointed will be in their early 30s and already be successful in an industrial treasury function.

The rewards package is highly attractive and includes a salary around the indicator shown, a company car and benefits usually associated with a Senior significant appointment.

Candidates should apply in confidence, enclosing a full CV to Barrie A. Whitaker, Price Waterhouse, Executive Selection Division, 32 London Bridge Street, London SE1 9SY, and quoting reference MCS/5045.

Price Waterhouse
Business Needs Experts.

RE: SENIOR AUDITOR

MAIDSTONE, KENT C £15,000 + CAR

The audit department is a key element in the way we at Cigna, a leading worldwide provider of insurance services, ensure our continued progress is achieved in an efficient and controlled environment.

We are looking to strengthen our U.K. based audit team by recruiting a suitable qualified ACA, ACCA or ACMA who has the ability to communicate with senior management, while retaining a "hands on" approach to auditing. The successful applicant will be able to demonstrate a progressive career path as an internal auditor, preferably within the insurance industry. Fluency in a second language would be an advantage for although the majority of assignments will be in the U.K., occasional overseas travel is envisaged.

If you have the qualities to meet this challenging opportunity please write, with a brief c.v. to:

Mrs. G. Toms, Manager, Human Resources
CIGNA
Cigna House, 8, Lime Street, London EC3M 7NA

FINANCIAL CONTROLLER

c. £18,000 + Profit Share + Car
RIPLEY, SURREY

We are a substantial and successful privately-owned group with a wide spread of business interests throughout the UK.

As part of a planned expansion, we wish to appoint a Financial Controller who, with the Chief Executive, will take responsibility for the success of a division.

In addition to enjoying UK travel, applicants will be qualified accountants, A.C.A. or A.C.M.A., aged 27 to 35 who, with energy and commitment, can demonstrate the ability to make a contribution from the grass-roots financial level to the broader commercial overview within a profit-conscious financially controlled organisation.

Please reply with detailed c.v. to:

M. R. Eke,
NEWSHIP GROUP LIMITED,
Send Marsh Works, Ripley, Woking, Surrey, GU23 6LD.

Systems Development

London **Package negotiable c£20,000**

Predominant in the financial services sector, our client operates and is further developing an extensive range of complex computer systems.

Continuing demands on the small central team responsible for developing these accounting systems call for an additional qualified accountant, preferably aged mid/late 20s, who can make an immediate contribution.

The first project will be an accounts payable system for the group – to establish requirements, evaluate options and implement the new system.

In view of the size and importance of this assignment, applicants must have gained relevant experience in a large organisation.

This project will provide an insight into many aspects of the group's business and provide an excellent base for career progression – either in systems development or in an accounting role at group or subsidiary level.

The negotiable package includes a subsidised mortgage and non contributory pension.

Please write in confidence with detailed CV or telephone David Tod BSc FCA on 01-405 3499 quoting ref: D/275/JF

Lloyd Management
125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

FINANCE DIRECTOR

Expanding, Progressive Retailer
c£30,000 + Exec Car & Benefits

The exciting growth of this high street retailer with out of town superstores has highlighted the need for a young, innovative Finance Director. You must be able to control an established team bringing creativity, discipline and wide financial awareness. You will probably have a good degree with first class experience in a good practice, and have augmented that experience in a substantial, disciplined company (preferably retail or service type industry). In return for your experience the company can offer truly excellent prospects, the opportunity to control the finances of a successful, well established organisation and to develop your own experience and expertise. Relocation expenses to the Yorkshire area complements the already excellent package.

Male or female candidates should send detailed resumes to Robert Durston, Durston & Marks Search and Selection Ltd., No 1 Central Street, Manchester M2 5WR. Tel 061 832 2266 (24 hour service). Ref 2352/FT

DURSTON & MARKS
SEARCH · AND · SELECTION · LIMITED

Accountancy Appointments

Recently Qualified ACA

investment management – financial control

London — **c£16,500 + subsidised mortgage etc.**

The investment management arm of one of Britain's largest financial groups offers an exceptional opportunity to a young accountant who has qualified within the last two years with one of the major Professional firms.

This will be an extremely challenging and stimulating role assisting with the financial administration of a wide range of UK and overseas investment subsidiaries. It will be of obvious appeal to those seeking extensive commercial experience without being tied to accounting routines.

Responsibilities, which will only be limited by one's own capability, will include liaison with senior professional advisors; attending board meetings; providing financial information and coordinating activities of investment and management companies.

Essential requirements are self motivation, strong communication skills and the ability to grasp associated tax and legal requirements and implications. Success in this position will ensure that there is no shortage of future career options.

Contact David Tod BSc FCA on 01-405 3499 quoting ref: D/291/SF

Lloyd Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

Finance Director

c. £22-25,000 + car

Middlesex — **early 30's**

Entrepreneurial ability, efficient control and information systems and properly financed expansion have kept our client — a private company in the young female fashion retail trade — well on track for PLC status in the next 3 to 5 years.

The company seeks an ACA/ACMA for this new position, preferably with 5 years plus in retailing/other service industries with multi-site operations. Key requirements are experience in credit control, modern computer based systems and the treasury function together with enthusiasm for developing his/her career in this highest spending sector of the clothing trade.

The appointee will take responsibility for the financial direction and control in a relaxed but high momentum business.

Initial remuneration will include a comprehensive range of benefits: success in contributing to profitable growth offers prospects of equity participation.

Write, in confidence, quoting ref: 4634/L, to: M.R.P. Blanckenhagen, Executive Selection Division, Peat Marwick Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

NEWLY QUALIFIED

ACCOUNTANCY APPOINTMENTS

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examination.

We propose to publish the list in our issue of Thursday, September 26, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments." The advertising rate will be £37.00 per single column centimetre. Special positions are available by arrangement at premium rates of £44.00 per scc. Newly Qualified Accountants, especially Chartered, are never easy to recruit — don't miss this opportunity.

For further details please telephone:

Louise Hunter on 01-248 4864

Financial Times

EUROPE'S BUSINESS NEWSPAPER

Finance & Administration Controller

Age 30-40 **£20,000 + car**

New Malden, Surrey

OMRON

Omron Terminals (UK) Ltd is a fully owned subsidiary of Omron Tateisi Electronics Company of Japan, one of Japan's top 50 companies with a turnover in excess of $1,000 million. Omron manufactures and markets a range of electronic control products from components and mechanisms to total Banking systems, cash registers and POS terminals, traffic and passenger systems and medical products.

Omron Terminals is the only UK subsidiary and specialises in marketing cash registers and POS systems, and is just starting to introduce credit and EPOS terminals with their related communication systems. The company has been established since 1980 and has a current turnover of over £5 million.

Reporting to the Managing Director, you will be expected to play a key role in the management team, and your responsibility will be for a department which controls all accounting and administration, including preparation of budgets, cash flow forecasts, management of the computer systems and the development of improved information, management of stock, management of sales office and the buying function.

Candidates must be qualified accountants in the age range 30-40 with sound post qualification experience including a knowledge of computers.

The salary includes an annual bonus around one month's salary. There are attractive fringe benefits including a car.

Please send a comprehensive career résumé, including salary history and day-time telephone number quoting ref: 2311 to W.L. Tait, Executive Selection Division.

Touche Ross

The Business Partners

Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

CORPORATE TREASURY CONSULTANTS

London — **Up to £30,000 + Car**

We are looking for suitably qualified staff to join the growing corporate treasury consulting group within our management consultancy. The work entails advising our industrial and commercial clients on a wide range of treasury matters including domestic and international cash management, foreign exchange policy, financing arrangements, bank relationships and treasury systems. The work is varied and challenging and long term prospects with the firm are excellent.

Applicants should have a degree or professional qualification and must have spent several years working in corporate treasury.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref: 2312 to M.R.Hurton.

Touche Ross

The Business Partners

Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

Recruitment Consultants

Personnel Resources is a leading Financial recruitment consultancy with over 20 staff. We are expanding rapidly, having more than doubled our fee income in the last two years, and have very ambitious plans for the future which include going to the USM.

We now seek experienced consultants to join our Financial division specializing in positions for qualified Accountants in Industry and Commerce. Our success is based on professionalism and a very high level of service. We offer a young, lively team environment with first class back up and training, where ideas are encouraged and initiative rewarded.

Applicants, aged 24-30, should be graduates with at least twelve months recruitment experience, preferably in the accountancy sector, who can demonstrate a successful track record and the potential to move into a management position in the future.

Our benefits package is probably the best in the industry and includes a high basic salary, generous personal bonus scheme, group profit share, BUPA, company pension, life assurance and for senior consultants a company car.

For an informal discussion, in strictest confidence, call Jeremy Alderwick, Director, on 01-242 6321 or 01-631 8272 (eves) or write to:-

Personnel Resources

75 GRAYS INN ROAD, WC1X 8US 01-242 6321

BANKING

We are currently handling the following vacancies for two major American Banks:

COST ACCOUNTANT — c.£22,000 + MORTGAGE

This challenging opening has recently been created for a qualified ACMA aged 25-35.

Attached to the marketing and technology services division, you will play an active part in the strategy, pricing and research of the electronic banking facilities.

The position would suit a dynamic individual, preferably, though not essentially, with some post qualification experience.

If you feel you could make a significant contribution to the success of this exciting new venture, then contact us immediately.

YOUNG ACCOUNTANT — £20,000 PACKAGE

A graduate ACA with 1-2 years experience is needed by the Merchant Banking arm of this prestigious organisation.

Liaising between the Financial and Corporate Finance divisions, you will be involved with all aspects of the currency swap business, including profitability analysis and enhancement of procedures and control systems.

This is a highly visible role and requires not only first-class technical skills but also exceptional personal qualities.

The successful applicant can look forward to outstanding financial rewards and rapid career progression.

Please contact Fiona Croll or Ann Cowell, or send your CV to the address below.

ACCOUNTANCY APPOINTMENTS 7 PRINCES STREET W1 01-629 7262

A DIVISION OF GRADUATE APPOINTMENTS

Financial Controller

Watford — **c£18,000 + car**

Our client, a profitable and expanding group of companies with a t/o in the region of £30m, is engaged in the manufacture and distribution of high quality materials for interior decoration.

Continuing development has created the need to recruit an experienced accountant to fulfil a key managerial role. Reporting to the Group Finance Director, this position will assume overall responsibility for the accounts department, comprising a team of over 30 staff.

An experienced man manager, you are unlikely to be aged under 30 and must have had responsibility for developing a sizeable accounts department and maintaining tight reporting deadlines. Previous computerisation exposure is required as you will be responsible for the day-to-day management of the EDP function and heavily involved in the introduction of new, improved computer systems. Initiative, self motivation and a decisive attitude should be among your personal qualities.

Interested applicants should write to Nigel Bates FCA, Executive Division, enclosing a comprehensive c.v., quoting ref. 276, at 31 Southampton Row, London WC1B 5HY.

MP

Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

A member of the Addison Page PLC group

UNIVERSITY COLLEGE, OXFORD

College Accountant

University College wishes to appoint an accountant who will be responsible to the Estates Bursar for all financial and accounting matters. Experience with computers is desirable.

Salary in the range £11,675 to £17,705 will depend on age and experience. Closing date for applications is 20th September, 1985.

Application forms and further details are obtainable from **The Estates Bursar, University College, Oxford OX1 4BH. Telephone Oxford 242108.**

FINANCIAL DIRECTOR

NW England

A £4m sales electrical equipment manufacturer with an international reputation seeks a qualified accountant to participate in a possible management buy-out.

Candidates must have experience of financial and cost accounting, export financing, purchasing and computer systems within an engineering environment. Ideal candidates will be in the region of 40 years of age and have experience of turn-round situations.

This is a significant opportunity and the employment package will be negotiable to the status of the successful candidate.

Applications to Box A9115, Financial Times 10 Cannon Street, London EC4P 4BY

CHIEF ACCOUNTANT

Humberside/Lincs — **c £16,000 + car + Reloc.**

Our client is a highly successful and well-known International company with interests in livestock and related food processing. The company forms part of a substantial UK Group.

The scope of the appointment is wide ranging. The Chief Accountant will play a key role in the management team and accept responsibility for financial accounting information and staff management in this area. The company's growing export turnover will involve the Chief Accountant in export procedures, documentary credits and currency transactions.

Candidates who must be qualified accountants (ACA, ACMA, ACCA) should have experience and a keen interest in the development of computerised systems and possess sound technical skills in preparing statutory accounts and audit liaison.

Apply in the first instance to Brian R. C. Daniels, Managing Director, quoting ref: 85/1636 FT.

Daniels Bates Partnership

PROFESSIONAL RECRUITMENT

Daniels Bates Partnership, Josephs Well, Hanover Walk, Park Lane, Leeds LS3 1AB. Tel: (0532) 461671 (5 lines 24 hours).

Deputy Manager – International Audit

Major Financial Services Group

City of London based — **Package c£22,000**

With offices throughout the World and a dominant presence in many financial services sectors our client enjoys an enviable international reputation.

An outstanding opportunity has now arisen for a graduate Chartered Accountant aged 27-30 who has already justified promotion within a 'Big 8' firm. Working closely with the Manager you will report to New York and lead small teams on a wide range of tasks that will involve some attractive international travel and through operational audits and special assignments gain a good introduction to the group's activities.

The package, which can include a company car, will be tailor made to suit the appointed person.

Contact John P. Sleigh FCCA on 01-405 3499 quoting ref: J/287/DF

Lloyd Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

SYNDICATE ACCOUNTANT

Circa £20,000 - Car

Lloyds underwriting agency managing marine, non-marine and aviation syndicates with £100m capacity seeks experienced accountant, qualified or unqualified.

Will initially understudy present incumbent and take over when he retires.

Location EC3. Moving to new Lloyds building. Age unimportant. Experience in Syndicate Accounting essential.

G. Hamill, F.C.A., A.C.M.A., M.B.A. (Harvard)

Financial Control Personnel

Saint Giles Lodge, Amersham Road, Chalfont St. Giles, Bucks. HP8 4RZ. Tel: (02407) 4291.

C. £20,000

MARINE INSURANCE FINANCIAL CONTROLLER

Management Accountant required for the Marine Division of a medium-sized Lloyd's Brokers based in the City.

Responsibilities will include:— Monthly Management Reports/Funds Management and Credit Control of the division together with that of data processing systems and control of staff.

Age preferably in 30's and previous insurance experience essential. An appropriate accounting qualification will be an advantage. This position will attract good benefits.

Please send your c.v. to:

Mr. R. W. B. Morton, HARRIS & DIXON (INSURANCE BROKERS) LIMITED, 21 New Street, Bishopsgate, London, EC3M 4HH.

A Midlands-based Public Company with manufacturing subsidiaries seeks to appoint a progressive and forward-looking

FINANCIAL CONTROLLER/COMPANY SECRETARY

With experience of working at Company Secretary or similar level within a manufacturing/engineering environment.

Applicants will be qualified to ACA level and should be capable of managing all accountancy and secretarial functions associated with a public company.

Please reply with full C.V. to Box A9113, Financial Times 10 Cannon Street, London EC4P 4BY

Appointments Wanted

MANAGEMENT CONSULTANT

Consultant CA with controllership and operational experience in multi-national contracting and trading companies, both UK and U.S., seeks additional assignments. Specialist in demanding situations requiring urgent appraisals and implementing/upgrading financial, management and computerised reporting systems. Assistance given with group structures and procedures, operational reporting, investigations, contract tendering, forecasting, cash and currency management and bonding.

Write Box A.9111 Financial Times, 10 Cannon Street, London EC4P 4BY or telephone 01-581 4198

GUIDE TO RECRUITMENT CONSULTANTS

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations. We will be including in this feature "The Newly Qualified's Guide to Recruitment Consultants."

Entries in the Guide will be charged at £55 which will include company name, address and telephone number. Extra lines will be charged at £11 per line.

For further details please telephone: Louise Hunter on 01-248 4864

SECTION II – COMPANIES AND MARKETS
FINANCIAL TIMES
Thursday September 5 1985

Alusuisse warns of substantial fall in full-year earnings

BY WILLIAM DULLFORCE IN GENEVA

ALUSUISSE, the Swiss aluminium group, recorded a sales increase of only 2 per cent to SwFr 4.3bn ($1.85bn) in the first half and expects consolidated net earnings for 1985 as a whole to turn out substantially lower than last year's SwFr 169m.

The group returned to profit last year after three years in the red and the parent company paid a dividend of 6 per cent – its first payout since 1981.

Without giving figures, Alusuisse reported a decline in cash flow for the first six months compared with the first half of 1984, attributing the setback to sliding returns on its main aluminium business and from Maremont Corporation, the automotive parts company it owns in the U.S.

Turnover in the aluminium division slumped by 3 per cent to SwFr 2.7bn in the first half. The sales decrease is blamed on a rapid decline in prices which started at the beginning of 1984 and came to a temporary halt only at the beginning of 1985, after stocks of primary metal had been reduced.

Substantial extra costs were incurred when Alusuisse cut output of primary metal in the first half. Its smelters are now working at 81 per cent of rated capacity compared with 85 per cent during the corresponding period of 1984.

Chemicals came out best in the first half with all units managing to increase sales, and turnover for the division as a whole showing an upswing of 15 per cent to SwFr 920m. This growth reflects mainly higher volumes – price increases and improved profit margins being achieved only in exceptional cases.

Alusuisse is banking heavily on expansion in chemicals to reach its stated target of reducing the share of aluminium from its present 62 per cent to no more than half of group turnover by 1988.

It is investing in research and development in graphite and fine chemicals

Thyssen profits ahead at 9 months

By Our Financial Staff

THYSSEN, the West German steel group, reports higher profits for the nine months ended June 1985, and has reaffirmed its intention to pay a dividend of DM 4 a share.

Group sales rose by 6 per cent to DM 25.2bn ($9m) for the nine months with all divisions making a profit. The steel side saw turnover rise to DM 8.42bn from 7.54.

Last year, Thyssen turned in net profits of DM 181m, a dramatic reverse from previous losses of DM 550.2m. The group has not paid a dividend since 1981–82.

The company said Budd Co, U.S. subsidiary which in recent years had been a major factor in group losses, was working at full capacity in most of its divisions and expected to make a profit this year after a loss of DM 139m in 1983–84.

Turnover in the special steel division rose 13 per cent to DM 2.85bn, helped by higher prices. Thyssen's capital goods division raised turnover 8 per cent to DM 7.52bn. For the full year capital goods turnover should match the previous year's figure and again make a profit.

Stet plans Italian telecom sale this month

BY JAMES BUXTON IN ROME

STET, the Italian state-owned telecommunications holding company, is going ahead with the privatisation of a substantial minority of its stake in the state telephone utility, SIP, although it has not obtained the agreement of the Government to a formula for regular increases in telephone charges.

Stet is to embark later this month on the sale of part of its 80.5 per cent stake in SIP, and plans eventually to reduce its holding to 51 per cent. Some of the shares will be placed with a London stockbroker.

The whole operation should eventually realise L950bn ($500m), making it the biggest privatisation in Italian history.

The first tranche of 120m shares will be sold later this month. Of these some 70m will be sold to the Italian public underwritten by a consortium of leading banks put together by Mediobanca, the Milan merchant bank, and Banco di Roma. The remaining 50m shares will be sold through Quilter Goodison, the London stockbrokers, and placed with City of London and foreign institutions.

Each share will be sold at the current price of L2,700 and will carry a warrant allowing the purchase of one savings share in SIP for L2,700 on three dates up to June, 1987.

In addition some 30m SIP shares will be sold to Mediobanca for its own investment portfolio. Mediobanca will also in due course issue bonds convertible into SIP shares. These are expected to account for the eventual disposal of a further 100m shares.

Stet has put no firm time limit on the operation, but it is expected to be complete within two to three years. The proceeds of the share sale will mostly be ploughed into SIP, to assist its current heavy investment programme in equipment modernisation, which has a budget of L28,000bn over the 1985-89 period.

SIP, which has 75,000 employees, handles most of Italy's internal telephone traffic. Its fortunes have improved enormously since 1981 when the Government allowed it to make substantial increases in its charges. Before that it had a run of very heavy losses because revenue from charges fell well short of costs. Investments were cancelled

However, in 1984 its profits again declined – to L185bn from the 1983 figure of L229.7bn – mainly because of renewed delays in the authorisation of increases in charges on which SIP is entirely dependent.

Stet said yesterday that it believed that the placing of a large block of shares in SIP with the public would encourage the Government to allow telephone charge increases.

This view was echoed by Mr Adrian Cowell of Quilter Goodison, who said that the placement would give the Italian Government a "moral commitment" to allow SIP to raise its charges. It would also be aware of SIP's need to finance its investment programme. Mr Cowell said SIP would get big gains in efficiency as electronic exchanges came into use.

He said requests from financial institutions for SIP shares was heavy yesterday and that Quilter Goodison would have to ration supply.

SIP has never been a fully nationalised company. At present some 13 to 14 per cent of its equity is held by the public.

Consafe rescue terms eased

By David Brown in Stockholm

EFFORTS aimed at rescuing Consafe, the financially troubled Swedish offshore services group, took a new turn yesterday with the agreement by Swedyard, the state-owned shipbuilding group which is its major creditor, to waive its insistence on an immediate share issue as a precondition to its SKr 600m ($71m) rescue package.

However, the six Scandinavian banks which have guaranteed some 20 per cent of Consafe's SKr 3bn debt will be required to provide fresh capital injections of more than SKr 100m.

Negotiations between the banks and Consafe on the terms and conditions of such a package began yesterday.

Meanwhile, Consafe has exhausted its liquidity and is now being kept afloat by Swedyard's agreement to defer loan payment – which amounts to some SKr 1m daily – during the course of negotiations.

"Consafe is having major difficulties carrying on its business with so much uncertainty over its future," a bank official said. "We must find a solution in a matter of days."

Swedyard has guaranteed about 80 per cent or SKr 2.3bn of Consafe's long-term debt. It has agreed to fresh loans and guarantees provided the group sells off a substantial portion of its fleet, much of which was built by Swedyard, in order to concentrate on the operation of offshore accommodation

The six banks which have guaranteed the remaining 20 per cent of the debt are Skandinaviska Enskilda Banken, Svenska Handelsbanken, Götabanken, Första Sparbanken, Skaraborgsbanken, and Den norske Creditbank (DnC) of Norway.

Consafe, which is the world's largest owner of offshore accommodation platforms, has been fighting since early July to stave off financial collapse

United Energy takes heavy legal provision

By Terry Dodsworth in New York

UNITED Energy Resources, the Houston-based gas and pipeline operator, is to take a third-quarter after-tax charge of $131.6m because of legal uncertainties over natural gas contract disputes.

The charge, the equivalent of $250m on a pre-tax basis, is expected to push the company into "substantial net loss," in 1985, it said. Last year it declared net profits of $35.6m, or $1.28 a share, including a $48m writedown on oil and gas properties.

United Energy's move has been precipitated by its dollars $1.4bn acquisition by MidCon, an Illinois-based energy company, along with recent unfavourable regulatory rulings.

By taking the charges now, analysts argue that MidCon is guarding against unpleasant surprises after the full merger.

Canadian bank boosts income

BY BERNARD SIMON IN TORONTO

ROYAL BANK of Canada, the country's largest banking group, raised net income of C$129.7m ($94.6m) or C$1.14 a share in the three months to July 31 from C$103.2m or 93 cents a share a year earlier.

Nine months' earnings rose to C$356.2m from C$343.9m, with earnings per share dropping from C$3.30 to C$3.12 as a result of a 7 per cent increase in the number of shares outstanding.

The bank ascribed the strong growth to a drop in non-performing loans and "excellent" results from fees and other non-interest income. Interest income declined from C$2.34bn to C$2.29bn.

Higher mortgage and personal lending contributed to a 4.2 per cent increase in assets to C$91.7bn at the end of July. But the bank said that commercial lending business had remained weak.

A sharp improvement in international business boosted total return on assets to 0.55 per cent from 0.46 per cent. Return on international assets jumped from 0.18 per cent to 0.54 per cent.

Third-quarter loan losses were unchanged from C$685m in the previous three months, but 8 per cent lower than the same period year earlier. Provisions charged to income rose by 11 per cent to C$151m. Non-accrual loans totalled C$2.6bn on July 31, C$200m below the level three months earlier.

Overseas jobs to go in Union Carbide pruning

BY WILLIAM HALL IN NEW YORK

UNION CARBIDE, the beleaguered U.S. chemicals company which announced a massive restructuring last week, said yesterday that it expected to make sizeable cuts in its 47,000 strong overseas workforce in its bid to restore profitability.

The company had announced that it was cutting 4,000 jobs from its domestic salaried workforce, equivalent to a 15 per cent cut in salaried staff, by early 1986. At an analysts' meeting in New York yesterday, Union Carbide officials stressed that the cuts in the North American workforce were the first stage in an overall reduction in the group's worldwide salaried workforce of just under 50,000 – of which 23,000 are based outside North America.

Mr Warren Anderson, Union Carbide's chairman, refused to quantify the scale of the proposed cutbacks in international staff but noted that a third of the company's sales were generated overseas

"It is an area where you can get cost reductions," said Mr Anderson who noted that the company had "knocked out $23m of overhead" from its European operations during the last 11 months.

Wessanen up at midway

By Our Financial Staff

WESSANEN, the Dutch foods group, reports increased profits for the first half of 1985 and says earnings for the year as a whole will "well exceed" 1984.

The company, which recently raised funds through a share placing in London, has increased profits after tax but before extraordinary credits to Fl 23m ($7.1m) from Fl 18.1m a year ago.

Edelman plans Datapoint buyout

BY OUR NEW YORK CORRESPONDENT

MR ASHER EDELMAN, the New York takeover specialist, is proposing to lead a management buyout of Datapoint, the San Antonio office computer manufacturer, in a deal which makes a further reversal of his normal liquidation policies.

The buyout offer comes after speculation over Mr Edelman's strategy at Datapoint. He had made his name on Wall Street as an adept investor with an eye for undervalued assets, and had taken over and largely split up three companies before the acquisition of the computer group.

Datapoint, however, was purchased earlier this year just as the U.S. computer industry was moving into a severe slump. During his bid for the group, Mr Edelman had strongly advocated selling or liquidating its assets, but in the face of the market decline he reversed his policy, saying that he intended to run the company and launch "exciting" new products.

His latest move underlines the continuing decline in the company's fortunes.

French utility to refinance $360m loan

By Peter Montagnon in London

CAISSE Nationale des Telecommunications of France has launched a $360m, 10-year loan facility in the Euromarkets to refinance an earlier deal arranged in 1979 on much cheaper terms.

Led by Morgan Guaranty, Bank of Tokyo International, Midland and Société Générale, the deal is designed to attract U.S. banks, some of which have been lukewarm about loan facilities bearing low fees and margins.

Following an example set earlier this year by Sweden with a $1.8bn refinancing deal, the facility includes an option for banks to provide funds at a margin over the U.S. domestic rate for certificates of deposit.

The commitment fee on the new deal is 6¼ basis points compared with a ¼ per cent fee on the previous deal which was due to mature in 1989.

The deal allows CNT to raise funds through the issue of short term Euronotes, bank advances or other instruments such as U.S. commercial paper. Such borrowing is backed up by a standby credit priced at a margin either over eurocurrency rates or over U.S. CDs.

EUROBONDS

A$ issues flood Euromarket

BY MAGGIE URRY IN LONDON

WHILE the Eurodollar bond market was in better shape yesterday, encouraged by the firmness of the New York bond market, the Australian dollar Eurobond market continued to suffer an unrelenting supply of new paper.

Morgan Guaranty took advantage of the improved Eurodollar sector by launching two deals. The larger, of $100m, was for Amev, the Dutch insurance company, and met a good response. The terms were set at a 10% per cent coupon and a 99% issue price for the seven-year bonds, giving a cost to the borrower around 50 basis points over the U.S. Treasury yield curve taking in fees of 1% per cent. The bonds are non-callable and Pierson Heldring and Pierson is joint lead manager with Morgan Guaranty. The bonds were trading within the fees.

The other issue was a $50m seven year deal for Mitsubishi Estate, the property group, which pays a 10% per cent coupon and is issued at 101%. Fees total 1% per cent and much of the paper is expected to be sold in Japan.

Holders of Standard Chartered's $300m floating rate note have agreed to accept the exchange offer arranged by Credit Suisse First Boston to convert the issue into primary capital. The noteholders will receive a 70 basis point payment along with the next coupon on November 7, in return for taking a slightly lower place in the creditor rankings. The bonds were trading around 100.72 yesterday.

Two more Australian dollar issues were launched, bringing the total to four so far this week raising a total of A$195m. Midland International Australia issued a A$50m three year deal paying a 13½ per cent coupon and priced at 100%. Lead manager is Samuel Montagu.

Midland launched a A$50m issue at the end of June, which has since traded above par. But the excess of paper in the sector means that issues are moving slower than ever, and with many traders' books overfull with paper Montagu received some declines in forming the group. The bonds were quoted at 98% bid, a discount outside the 1½ per cent fees.

Morgan Stanley varied the diet by launching a A$45m issue for Privatbanken of Denmark which pays a higher, 14 per cent coupon but has a two-year average life with final maturity in 1988. The issue price is 100% and one-third of the issue will be repaid each year at par. Syndicate managers believed that the average life helped to work a swap transaction. Fees total 1½ per cent.

In the sterling market Morgan Grenfell fixed the terms for Bank of Greece's £75m bulldog issue at a 91.433 issue price and a 10¼ per cent coupon to give a yield of 11.827 per cent. The bond mature in 2010. Dealings start today in £30 paid form with traders expecting the bonds to open at a small discount. Brokers to the issue are Hoare Govett and Pember and Boyle.

The World Bank launched a Y100bn 10-year Samurai issue, equal to the largest deal in this market. The terms were set at a 6.4 per cent coupon and 99.85 issue price by Nomura Securities.

D-Mark bonds recovered part of an early ½ point fall yesterday to show losses of ¼ point on the day. Traders report a consolidation following the recent rise and some nervousness over the currency. Deutsche Bank postponed an expected DM 150m issue for the National Bank of Hungary traded around 97 compared to the par issue price, well outside the 2% per cent fees.

In the Swiss franc foreign bond market Chase Manhattan (Suisse) announced a SwFr 50m private placement for SNCB, the Belgian railway system. This has a seven-year life and a 5¼ per cent coupon with par issue price.

UBS set a 5% per cent coupon for a SwFr 50m issue for Tokyu Car which is guaranteed by Kyowa Bank and has a five-year life. SBC indicated a 1% per cent coupon for a SwFr 50m convertible for Tobu Railway which matures in March 1991, while Crédit Suisse cut the coupon for Daido Oxygen's SwFr 40m issue with equity warrants from the indicated 3% per cent to 2% per cent.

In the secondary market prices were mixed with volume low. The SwFr 100m issue for Metropolis of Tokyo started trading yesterday, closing at 99% compared to the par issue price. It carries a 5% per cent coupon.

● Hong Kong's Mass Transit Authority is arranging a HK$700m 10 year issue with a 9½ per cent coupon through Morgan Guaranty, Chase Manhatten (Asia) and the Hongkong Bank group. Holders will be able to exchange the bonds for a one year issue paying 7½ per cent, but cannot then convert back.

BHF Bank bond average		
Sept 4		Previous
105.150		105.195
High	1985	Low
105.417		99.840

INTL. COMPANIES & FINANCE

First-half upsurge at Bell Resources

By Michael Thompson-Noel in Sydney

BELL RESOURCES, the fast-growing offshoot of Mr Robert Holmes à Court's Bell Group of Perth, has reported a surge in net profits for the first six months of the year, from A$9.5m to A$34.7m (US$24.3m). It is to seek a two-for-one share split and a listing on the London Stock Exchange.

The company said yesterday that its recent issue of 10.5 per cent convertible preference shares, at A$8.50 a share, has been oversubscribed, raising A$225.5m and boosting shareholders' funds to A$700m plus.

In the past two years Mr Holmes à Court has masterminded a determined drive into natural resources.

Sales revenue in the first half of the year almost trebled to A$121m, including A$18.2m from Bass Straits Oil, A$54.2m from the company's share in two major Queensland coal consortia and A$48.6m from investments.

Net investment income was A$22m. Mr Holmes à Court has established strategic stakes in Broken Hill Proprietary, Australia's largest company, and a 12 per cent interest, recently increased from 8.9 per cent, in Asarco of the U.S., which controls the Queensland-based NIM Holdings.

The interim dividend is unchanged at 15 cents a share. First-half earnings rose from 19.9 cents a share to 67 cents.

● Woodside Petroleum, the operator of Western Australia's massive North West Shelf natural gas project, saw a fall in half-year net profit from A$2.7m to A$290,000. It said that unrealised potential exchange losses on loans had risen to about A$480m but that they would be offset by increased sales revenue in that sales were denominated in U.S. dollars.

Michelin to raise FFr 1bn by rights with warrants

BY PAUL BETTS IN PARIS

MICHELIN, the French tyre group, is raising FFr 1bn ($114.6m) through a rights issue using a novel mechanism for the French financial markets.

The rights issue, announced earlier this year, is to be a one-for-four at FFr 1,000 a share. Additionally, it will grant shareholders free warrants to subscribe to further new shares.

The rights, the first by Michelin for 15 years, follows the company's recent return to the black with a FFr 400m profit in the first half of this year compared with a loss of FFr 1.2bn.

The warrant element of the share issue consists of a free warrant for every new share bought entitling subscription to a new share at FFr 1400 between January 1986 and the end of 1989. Michelin shares have been trading at around FFr 1200 on the Paris bourse this week.

The faster than expected recovery in Michelin's financial performance this year prompted the company to return to the equity market. M Chahid-Nourai, Michelin's financial director, said that Michelin wanted to be able to give the market tangible signs of its recovery before raising fresh equity.

According to Paribas, which is handling the issue, profits for Michelin in the second half of this year should be similar to the FFr 400m of the first half.

Michelin group earnings are expected by Paribas to amount to between FFr 800m and FFr 1bn for the full year.

The company is now beginning to reap the fruits of its large-scale restructuring, and the latest capital operations are designed to strengthen the company's equity base and balance sheet.

The group's net debt of about FFr 30bn is still three times the level of shareholders' funds.

First Pacific buys troubled bank

BY SAMUEL SENOREN IN MANILA

THE financially-troubled First Philippine Holdings Corporation has sold First Philippine Capital Corporation, its merchant banking subsidiary, to First Pacific Holdings of Hong Kong and a local pension fund for about 75m pesos (roughly $4m).

First Pacific acquired a 28 per cent stake in the company for about $1m with the pension fund buying the remaining 72 per cent.

The merchant bank, renamed First Pacific Capital Corporation following the acquisition last month, was the latest among First Philippine Holdings' interests to be sold to pay its debts. Last year, FPH reported a loss of 47m pesos on revenues of 159m pesos.

A few months ago, FPH sold its 28 per cent interest in Philippine Petroleum Corporation for just over 200m pesos.

Last month, it tried to sell its 51 per cent interest in to Asea of Sweden but the deal fell through. The company, whose minority owner is General Electric of the U.S., manufactures transformers.

Philippine Electric's creditor banks, which have an exposure of about 300m pesos, are asking the Securities and Exchange Commission to place the company under receivership.

At end-February 1985, the company reported total assets of 411m pesos and liabilities of 350m pesos.

Global parts system for Nissan

BY NICK GARNETT IN TOKYO

NISSAN MOTOR, the world's fourth largest manufacturer of vehicles, said yesterday that it intended to step up production of components that would be complementary among its plants around the world.

Mr Yutaka Kume, who took over as Nissan's president in June, said that increasing competition between manufacturers would force the company to follow the lead established by General Motors and Ford.

Mr Kume also said Nissan was keen to begin producing cars at its Motor Iberica van and light truck subsidiary in Spain, and that it wanted to expand output at its car plant in northern England beyond the 100,000 a year present target.

Nissan has 24 manufacturing or assembly sites in 21 countries. Mr Kume said no new car plants overseas were under consideration at the moment and there were no tie-up agreements with other motor manufacturers under negotiation.

However, if opportunities arose in these areas Nissan would give them "positive thought," he said.

Mr Kume gave no indication of when Nissan would like to begin car output, but said the first priority in Spain was to consolidate and improve production of Motor Iberica's current vehicle range.

Nissan owns 84 per cent of Motor Iberica, the products of which include the four-wheel drive Patrol and the Vanette. The Spanish plant produced 29,000 vehicles last year with the Vanette, introduced in January, expected this year to add 6,400 units to the total.

David White in Madrid writes: Nissan has expressed its desire before to make saloon cars in Spain, but has failed to elicit a sympathetic response from the Madrid authorities. Its agreement over Motor Iberica, the Barcelona-based company which it first bought into five years ago, excluded introducing vehicles that would compete with the country's existing car manufacturers. Spain's six car producers currently have an excess capacity of about 400,000 vehicles a year.

Motor Iberica, which is making Nissan four-wheel drive vehicles and light vans for the European market, submitted a project six months ago to instal a production line for large saloons based on the Nissan Prairie.

A senior company executive said yesterday that no reply had been received from the Spanish industry ministry

Mitsubishi Metal looks to Norway

MITSUBISHI METAL Corporation, has started a feasibility study on joint production of sponge titanium in Europe with Norsk Hydro, Kyodo reports from Tokyo.

Mitsubishi said it wishes to combine its refining technique with the Norwegian company's highly purified magnesium, taking advantage of cheap European electricity, to produce competitive sponge titanium, a semi-processed titanium product.

INTERNATIONAL COMPANIES & FINANCE

Hitachi cuts semiconductor budget

BY OUR FINANCIAL STAFF

HITACHI, the Japanese electronics company, is to cut capital spending on semiconductor production facilities in fiscal year 1985, and to suspend production of 64K dynamic random access memory chips in the U.S.

The decision reflects slow demand for semiconductors in Japan as well as in the U.S. and other countries because of sluggish personal computer sales. The company expects a five to 10 per cent decline in total semiconductor sales in Japan in calendar 1985 and a 23 to 28 per cent decline in the size of the U.S. semiconductor market.

Hitachi had originally planned to spend Y130bn ($546m) on semiconductor production facilities, an unchanged figure from fiscal 1984. It cut the amount by 20 per cent to Y104bn in July in the face of the demand slowdown, but the prolonged market slump has made it necessary to revise the capital outlays downward again to Y90bn.

Hitachi expects fiscal 1985 semiconductor production to drop about 20 per cent from fiscal 1984 to Y430bn.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for September 4.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amax Credit 10⅞ 90	100	101½	102	−0⅛	−0⅜	10.35
Amex Credit 12¼ 88	150	105¾	106¼	−0⅝	−0⅞	10.25
Atlant Richfld 10¼ 00	250	95	95½	0	−0⅝	10.90
Australia Com 11¼ 00	100	102⅞	103⅜	0	−0½	10.80
Australia Com 11 95	200	102⅞	103⅜	0	−0⅝	10.46
BP Capital 11⅛ 92	150	102⅞	103⅜	−0⅛	−0⅛	10.49
Canada 11½ 90	500	105⅞	106⅜	0	0	9.73
Canadian Pac 10¾ 93	100	101	101½	+0⅛	+0¼	10.48
Canadian Pac 12½ 99	75	107⅝	108⅛	0	+0⅛	11.36
CBS Inc 11⅝ 92	100	† 102⅞	103⅜	−1⅛	−1¼	10.71
Chevron U.S.A. 12¼ 89	600	104⅛	104⅝	−1⅜	−1⅛	10.86
Citicorp 11½ 95	150	101¼	101¾	+0⅜	−0⅛	11.22
Coca Cola 11¾ 91	100	107⅝	108⅛	−0¼	0	9.96
Denmark Kingdom 11¼ 89	100	103	103½	+0⅜	+0¼	10.11
Denmark Kingdom 11½ 90	100	104½	105	+0½	+0⅛	10.16
Denmark Kingdom 11½ 92	100	104¼	104¾	+0½	−0¼	10.40
Denmark Kingdom 13¼ 91	100	111	111½	+0⅛	−0⅜	10.63
E.D.F. 10 95	225	95⅞	96⅜	+0¼	−0¼	10.64
E.E.C. 11⅛ 90	100	103⅜	103⅞	+0⅛	−0⅛	10.03
E.I.B. 12 95	200	107½	108	+0⅜	−0¼	10.65
Export Dev Corp 10 90	100	100	100½	−0⅛	−0¼	9.91
Export Dev Corp 12 89	100	105⅛	105⅝	0	−0¼	10.09
Fed Dep Stores 10⅞ 95	100	97⅜	97⅞	+0⅜	+0⅛	10.51
Ford Motor Cred 11⅞ 90	100	102½	103	+0⅛	−0⅛	10.59
Ford Motor Cred 11⅝ 95	100	102¾	103¼	+0⅜	−0¼	11.07
Ford Motor Cred 11¾ 92	100	103½	104	+0⅛	−0⅜	10.90
Ford Motor Cred 12 95	100	105¼	105¾	+0⅜	−0¼	11.01
Gen Elec Credit 10¾ 00	200	100⅝	101⅛	+0¼	−0⅜	10.12
GMAC 10¼ 88	200	100¾	101¼	0	−0½	9.95
IBM Credit 10⅝ 2000	300	101¾	102¼	+0¼	−0½	10.09
Kellogg Company 10⅞ 90	100	102½	103	−0½	−0⅞	10.05
Kellogg Company 11⅛ 92	100	104	104½	−0¼	−0½	10.28
L.T.C.B. 12⅞ 91	100	109¾	110¼	0	−0⅜	10.56
Macy Cred Corp 11¾ 95	100	104⅝	105⅛	+0¼	−0½	10.87
Mellon Bank 13 87	100	105⅞	106⅜	+0⅜	+0⅛	9.48
Merrill Lynch 12¾ 89	100	105¾	106¼	−0¼	−0½	10.94
Minnesota 11½ 87	100	104	104½	+0⅜	+0¼	8.17
Mitsui Trust 11⅝ 90	100	103¼	103¾	+0⅜	+0⅛	10.63
Morgan Guaranty 12⅝ 89	150	106⅜	106⅞	−0½	−0¾	10.30
Penney J.C. 12¾ 91	100	† 107⅜	107⅞	−1¾	−1⅞	10.95
Pru Realty secs 12⅛ 95	546	107¾	108¼	+1	+0⅞	10.71
Qantas Airways 10⅞ 95	140	99¼	99¾	+0¼	−0¼	10.45
Quebec Hydro 11½ 92	100	103⅞	104⅜	0	−0⅛	10.83
Queensland Govt 10¼ 95	100	97½	98	+0⅛	−0½	10.82
Ralston Purina 11¾ 95	150	104¾	105¼	+0⅜	−0½	10.87
Ralston Purina 12¼ 89	100	107¾	108¼	0	−0⅜	10.25
Saskatchewan 10¾ 92	100	101⅞	102⅜	−0⅛	−0⅜	10.26
Saskatchewan 11⅞ 89	100	105⅜	105⅞	−0⅛	−0⅜	10.14
Statoil 10 90	170	99¼	99¾	+0⅛	+0⅛	10.13
S Wales Trsy 11¾ 90	150	105	105½	−0⅛	−0½	10.24
Swed Exp Cred 10 92	100	97¾	98¼	+0¼	0	10.41
Swed Exp Cred 12¼ 89XW	100	107¾	108¼	−0⅛	−0¼	10.22
Sweden Kingdom 10⅞ 90	200	102⅜	102⅞	+0¼	−0⅛	10.12
Sweden Kingdom 11½ 89	200	104¼	104¾	−0⅞	−0⅞	10.12
Sweden Kingdom 11¾ 94	100	105⅞	106⅜	+0⅜	+0⅛	10.66
Tenneco Corp 10¾ 95	150	100¼	100¾	−0¼	−0½	10.65
Texaco Capital 11⅛ 95	250	101¼	101¾	0	−0¾	10.85
Tokai Asia 11½ 95	100	102¾	103¼	0	−0¼	10.96
Victorian Rep 11⅛ 92	150	104½	105	0	−0⅜	10.57
World Bank 10⅛ 95	300	98	98½	+0¼	−0⅛	10.41
World Bank 12⅞ 94	200	112	112½	+0⅜	−0⅛	10.68

Average price change On day 0 on week −0¼

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev Bank 8 94	200	107	107¾	−0¼	−0¼	6.88
Austria Republic 7⅛ 94	200	105⅛	105⅞	−0¼	−0⅛	6.75
Baxter Travenol 7¼ 94	200	102⅞	103⅜	−0¼	0	6.73
Copenhagen 7⅜ 95	150	101¾	102½	−0⅛	0	7.05
Credit National 8¼ 94	200	108	108¾	+0⅛	−0⅛	6.78
E.I.B. 7¼ 94	300	103½	104¼	−0⅛	−0⅜	6.67
Escom 8 92	150	94⅞	95⅝	−0½	−1⅞	8.97
Ex-Im Bk Korea 7⅜ 90	100	† 99	100	+0⅛	+0¼	7.74
Ferrovie Dello Stato 8 91	100	† 106½	107½	0	−0½	6.45
Finland Republic 7 92	200	† 101½	102½	−0⅛	0	6.50
[illegible]						

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Chrysler Fin 13⅝ 92 $A	55	101¼	102¼	−0⅛	0	13.22
Rural & Inds. 13¼ 88$A	50	97⅛	98⅛	−0⅜	−0¼	14.27
SBSA Finance 13 88 $A	50	96⅛	97⅛	−0⅜	−0⅞	14.47
State Bk NSW 12¾ 90 $A	75	95⅝	96⅝	−0⅝	−1¼	13.87
Amex 10¾ 90 C$	50	101⅞	102⅜	+1	+0¾	10.15
Genstar Fin 11¾ 95 C$	75	98¾	99¼	0	+0⅛	11.91
Hamil-Went'th 10¾ 95C$	25	† 96½	97	+0½	+0¼	11.30
Loblaw Cos 11⅛ 92 C$	50	† 100	100½	−0⅜	−0¾	11.55
New Brunswick 11⅛ 95C$	75	† 102⅜	102⅞	−0⅜	−0¼	11.15
Shell Canada 11¼ 92 C$	75	101	101½	−0½	−0½	10.97
Winnipeg City 10⅝ 90C$	50	99¼	99¾	+0⅛	+0⅜	10.75
Christ Bk 16¼ 88 NS	50	91¾	92¾	−1¼	−1½	15.95
DG Bank 16½ 90 NS	75	101½	102½	−0¾	−1¾	15.87
Westpac Bk 16⅛ 88 NS	50	97½	98½	−1	−0½	17.82
Creditanstalt 8⅞ 94ECU	68	99	99¾	−0⅛	−0¾	8.97
Motorola 8⅝ 92 ECU	50	99⅝	99⅞	−0¼	−0⅜	8.15
Walt Disney 9¼ 95 ECU	80	101½	102¼	0	−0⅞	8.91
Eurofima 7½ 92 FL	50	104½	105	−0¼	−0¼	6.59
Philips Lamps 7½ 90 FL	100	104½	105	−0⅛	−0¼	6.28
Rank Xerox 8 90 FL	100	104⅝	105⅛	−0¾	−0⅛	6.73
Van Lanschot 7½ 90FL	50	102½	103	−0⅛	0	6.80
World Bank 7½ 90 FL	150	104½	105	−0⅛	−0½	6.29
IBM France 11⅛ 90 FF	700	99¼	99¾	+0⅛	−0⅝	11.24
Australia Comm 11 92 £	40	100⅜	100⅞	0	+0⅛	10.83
BP Capital 10¾ 92 £	50	99⅜	99⅞	0	−0⅛	10.82
E.I.B. 11⅛ 93 £	50	100⅝	101⅛	0	+0⅛	10.92
GMAC UK Fin 10½ 90 £	30	98¾	99½	+0⅛	+0⅛	10.72
Imp Chem Inds 11¼ 95 £	75	100⅝	101⅛	+0⅛	0	11.06
Imp chem Inds 10¾ 92 £	75	97⅞	98⅜	0	−0⅛	11.15
Mcdonalds 10⅞ 90 £	40	100⅛	100⅝	−0⅛	−0¼	10.73
Mitsubishi Fin HK 11 90 £	50	99½	100	−0⅞	−1½	11.04
Privatbanken 11⅞ 92 £	20	100⅜	100⅞	+0⅛	+0¼	11.70
Rank Xerox 11 92 £	40	99½	100	−0⅛	+0⅛	11.03
Royal Ind 10¾ 92 £	60	97⅛	97⅝	0	0	11.31
Star Drug Cap 10⅞ 90 £	30	99⅜	99⅞	−0⅛	−0¼	10.94
Tricentrol XW 11 92 £	35	95	95¾	+0¼	+0¼	12.01
Trthouse Forte 11⅛ 90£	50	99¼	99¾	−0¼	−0¼	11.23
World Bank 11¼ 95 £	100	102½	103	0	−0⅛	10.75
E.C.S.C. 10½ 94LF	100	102⅝	103⅛	+0½	−0⅛	9.98
Nat Lux Alum 10½ 92 LF	600	104	104¾	0	−0¼	9.61

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Banco di Roma 5¼ 92	0	99⅜	99⅞	27/8	9.6	9.63
BankAmerica O/S 5¼ 96	0⅛	99⅞	100⅜	3/9	8⅛	8.11
Bankers Trust 5 2000	0	99¾	100¼	11/8	7.69	7.69
Bankers Trust 5¼ 96	0⅛	100¼	100½	13/11	8.31	8.28
B.F.C.E. 5¼ 99	0⅛	100	100¼	13/9	10.06	10.05
B.N.P. 5¼ 86 (July)	0¼	100	100¼	22/1	8¼	8.24
C.C.F. 5¼ 97	0	99¾	100¼	22/9	10⅝	10.63
Chase Man'tn 5 2000	0	99⅝	100⅛	12/11	8⅛	8.14
Chase Man'tn 5¼ 2009	0⅛	99⅞	100⅜	5/9	7.81	7.80
Citicorp O/S 5¼ 96 Sep	0⅛	99¾	100¼	19/12	11.19	11.19
[illegible]						

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						
Santos Finance Ltd 6 94	130	† 100	100½	0	+0⅝	5.96
Tokyo Elec Pwr 5½ 93	120	† 100¼	100¾	+0¼	+0⅝	5.41
Tokyo Metropolis 5¼ 94	80	† 99¼	99¾	+0¼	+0⅝	5.32
World Bk 5¼ 94	150	† 101	101½	0	+0⅛	5.57

Average price change On day 0 on week +0⅜

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Finland Republic 6¾ 90	15	100½	101	0	−0¼	6.54
Gdyr Tr & Rubber 7⅛ 95	25	100	100½	+0⅛	−0⅛	7.08
Mort Bk Denmark 7 92	10	100⅝	100⅞	0	−0⅛	6.87
New Brunswick 7⅛ 95	10	102	102½	0	−0⅝	6.80
Swed Exp Cred Zero 90	14	72⅝	72⅞	+0⅛	0	6.52

Average price change On day +0⅛ on week −0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
[illegible]						

* No information available—previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield is the redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn = current coupon. C.yld = current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

Brascan sells out of paper goods concern

BY BERNARD SIMON IN TORONTO

BRASCAN, the Toronto-based holding company controlled by members of the Bronfman family, has sold Scott Paper its 25 per cent stake in the company for C$740m ($540m) as reported in some later editions yesterday.

Earlier indications had been that Brascan intended to increase its investment in the Philadelphia papermaker and distributor.

Brascan said that it was selling its interest in Scott Paper, acquired in 1981, "because the price received represented good value." It said the sale gave it an opportunity to reduce its exposure to forest products while increasing its financial services and consumer products businesses. Scott Paper is the world's biggest tissue paper manufacturer.

The sale price consists of C$330m in cash and C$410m in five-year floating-rate senior debentures equal to C$45 a share. Brascan has also received 4m share purchase warrants, giving it a one-third participation in any rise in Scott Paper shares above C$45 over the next seven years.

Brascan's balance sheet has come under pressure lately as a result of its 46 per cent interest held through Brascade Resources in Noranda, the loss-making mining and natural resource company.

Brascan's net income fell by 15 per cent to C$40.5m in the half year to June 30, largely reflecting Noranda's loss of 34 cents a share. Long-term debt rose to C$879m on June 30 from C$742m a year earlier. Brascan estimated that the sale of the Scott Paper shares would realise a pre-tax gain of C$175m.

Alfred Bunting and Company, a Toronto securities firm, estimates that Brascan has an annual cash deficit of between C$80-C$90m. One analyst said: "We have had a lot of concerns about Brascan as an investment".

Brascan has assets of C$3.9bn. Its other interests include a 37 per cent stake in John Labatt, one of Canada's leading food and brewing companies, and sizeable holdings in a number of financial institutions, including Royal Trust and the London Life Insurance Group.

Mr Philip Lippincott, Scott Paper's chief executive, who has been masterminding the group's profit recovery, said the transaction had been restructured carefully and objectively.

All the company's non-Brascan shareholders would benefit from the deal through the reduction in the number of shares to 36.2m. On a pro-forma basis, assuming the transaction had occurred at the beginning of this year, Scott Paper's first-half earnings per share would have been increased from $1.97 to $2.25.

Limoges set to raise C$1.5m

BY OUR FINANCIAL STAFF

LIMOGES Porcelaine, the French fine china group, plans to raise C$1.5m (U.S.$1.09m) through an issue of shares on the Vancouver stock market.

The company, which clawed its way back to profit last year, is to issue 1.5m shares – some 13 per cent of its increased capital at C$1 a share to investors in Europe and North America.

Against losses of FFr 7.7m in 1983, the company made a net profit of FFr 300,000 last year. It expects to move up to profits of FFr 2m for 1985 and achieve equally rapid growth thereafter.

LP's newly acquired management team expect 1985 sales of FFr 35m to expand more than tenfold by 1990.

Special gains increase Litton result

By Terry Dodsworth in New York

LITTON Industries, the California-based conglomerate, suffered a 4.5 per cent decline in net profits in the fiscal year to July, although income rose by almost 8 per cent after accounting for extraordinary gains in the 1984 year.

Earnings amounted to $299m, or $7.27 a share, in 1985, compared with $313m, or $7.32 a share in the previous year, while sales fell to $4.59bn from $4.6bn. But in 1984, the company took extraordinary profits of $36m from discontinued operations, and without this figure earnings came to only $277m.

In the fourth quarter, net profits amounted to $76m, or $2.06 a share, against $74m, or $1.72 a share, while sales rose to $1.12bn from $1.15bn.

Mr Fred O'Green, company chairman, said that the group's major business segments all recorded higher sales and operating profits in the 1985 fiscal year. Litton was still focusing its strategic plan on the growth of its electronic technology businesses, and had invested $500m since 1983 in new operations while selling operations with combined annual sales of $1bn.

AIBD BOND INDICES

WEEKLY EUROBOND GUIDE AUGUST 30 1985

	Redemption Yield	Change on Week %	12 Months High	12 Months Low
US Dollar	10.672	−0.677	12.966	10.629
Canadian Dollar	11.543	−1.318	13.575	11.526
Euroguilder	6.316	−1.000	7.879	6.298
Euro Currency Unit	9.189	−0.492	11.308	9.189
Sterling	11.002	−0.099	11.755	10.809
Deutschemark	6.876	−0.263	8.052	6.876

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UK COMPANY NEWS

Static first six months for BICC

BICC, the cable and wire maker, checked into the City yesterday with interim profits virtually static compared with those of the previous year.

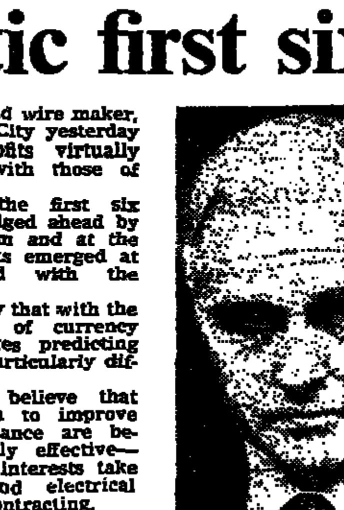
Turnover for the first six months of 1985 edged ahead by only £7m to £994m and at the pre-tax level profits emerged at £42.6m, compared with the £42.5m.

The directors say that with the current volatility of currency and exchange rates predicting future results is particularly difficult.

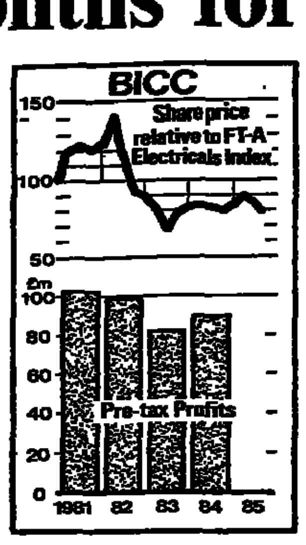
However, they believe that steps being taken to improve operating performance are becoming increasingly effective—the group's other interests take in mechanical and electrical engineering and contracting.

The results of the first six months were adversely affected by currency movements—overseas currencies were translated into sterling at rates of exchange ruling at the end of the period.

As a result of a change in the value of sterling relative to other currencies, turnover and profits before tax for the half year decreased by £72m and £6.8m respectively in comparison with using the rates prevailing at end-June 1984.



Sir William Barlow, chairman of BICC



Pre-tax profits were arrived at after interest charges of £9.4m (£6.6m) and major reorganisation costs, including redundancy, amounting to £2.5m (£4m) and adding in overseas copper profits of £3.6m (£0.9m debit).

Tax took £2m less at £17.5m to leave net profits £2.1m ahead at £25.1m. The interim dividend is being held at 3.5p net from earnings per 50p share of 9.8p (9.3p).

A divisional breakdown of profits shows: Balfour Beatty £9.9m (£9m), BICC Cables £17.8m (£14.4m), BICC International £26.2m (£21.2m) and BICC Technologies £2m (£7.9m). Corporate debt accounted for £3.9m (£3.4m).

The directors say Balfour Beatty has won a number of major contracts, providing an excellent forward order book. However, changing market conditions have caused some increase in the working capital requirement.

BICC Cables performed much better than last year, which they say is an indication of the effectiveness of the modernisation programmes.

Further progress was made with optical fibre and optical cables. An important optical cable contract has been won in the U.S. against international competition.

At last May's annual meeting, Sir William Barlow, the chairman, told shareholders that the directors were pursuing a programme to deal with units which had been losing money or making inadequate profits. He added that overheads in all parts of the group were being scrutinised and action was being taken to cut out costs.

See Lex

Pacer nearly doubles profits to $0.33m

Pacer Systems, a U.S.-based defence electronics company and one of theh latest recruits to the USM, has achieved higher interim taxable profits of $327,000, compared with $119,000 (£87,000).

Turnover rose by 28 per cent from $5.75m to $7.34m for the first six months of 1985 and earnings per share more than doubled from 2.1 cents to 5.4 cents. There is no interim dividend.

At last night's close the shares were 4p higher at 161p, but this is short of June's 170p placing price which had been scaled down due to the slump in the electronics sector.

"The order book has increased substantially, reflecting several successful competitive tenders in late 1984 and early 1985," state the directors, who are confident of achieving turnover and profit goals.

The momentum built earlier this year kept on track with a favourable initial assessment of ballast potential by the U.S. navy.

In fulfilling its $50m order book for systems services, Pacer continues to obtain high ratings from the U.S. navy and U.S. marine corps for suport of anti-submarine, mine countermeasures,

Amusement machines boost CA

PROFITS BEFORE tax of the Cope Allman International group finished 56 per cent ahead in the year ended June 29 1985, amounting to £14.33m against £9.17m, and shareholders are being given a 64.7 per cent rise in their dividend.

The amusement machine division contributed a larger increase in profitability than any other part of the group. The main interest is in packaging.

Record results reflect the strength of the underlying businesses, the directors state. The broadly based improvements together with the developments still taking place, give them cause for confidence.

The final dividend is raised from 2.25p to 4.3p net for a total of 7p, against 4.25p. Earnings for the year were ahead from 13.11p to 21.6p.

A break-down of turnover £176.63m (£162.37m), and operating profits £17.23m (£12.46m) by activity shows packaging £114.31m (£100.91m) and £8.88m (£7.17m), engineering £26.48m (£25.55m) and £4.98m (£5.2m), amusement machines £33.69m (£28m) and £4.5m (£1.85m), divested businesses £2.15m (£7.87m) and losses £306,000 (£479,000). Head office costs were £816,000 (£1.29m).

Geographically the split was UK £94.12m (£88.43m) and £10.95m (£7.11m), France £25.38m (£2.09m) and £2.21m (£2.21m), Rest of Europe £21.54m (£20.46m) and £411,000 (£480,000), North America £27.81m (£22.8m) and £3.76m (£2.67m).

In packaging there were notable gains in the North American companies where operating profits of £3.8m showed a 40 per cent lift on the previous year. Productivity improved in all the group's packaging companies and turnover per employee rose by 10 per cent to £41,000.

Behind the more than doubled result from amusement machines was a £1m turnround from losses to "quite respectable" profits in the division's manufacturing operations.

Over the past two years the workforce has been halved to around 300, productivity has been stepped up, and more recently the move to the fully automated Bell-Fruit factory at Nottingham completed.

The acquisition of the Allied Breweries amusement machine subsidiary and the music hire company made little impact on results. But the directors are looking for a contribution of at least £1m over the current year.

Tax takes £5.73m (£3.95m) and minorities £28,000 (£37,000) to leave the net attributable profit at £8.57m (£5.18m). There are extraordinary charges of £742,000 (£1.78m)

• comment

These results from Cope Allman International should dispel the stock market's last memories of the group in its former overweight shape. The 143 per cent recovery in profits from amusement machines marks the success of the last major stage of the recovery chief executive Mr Michael Docherty started three years ago. From now on the company will have to rely on further expansion to generate most of its profit growth. The signs that it can achieve increases in pre-tax profits of the order of 25 per cent or so are good. The best prospects are in the North American packaging companies which have forged ahead over the past two years by winning extra sales through launching new products, keeping in close touch with the cosmetics manufacturers. In Europe, there is much to be gained by raising margins which are several points lower than those in North America. Growth opportunities in amusement machines and engineering are more limited, but the importance of these businesses should decline if the group's acquisition plans are fulfilled. Assuming Cope Allman makes £17.5m pre-tax this year then, on 40 per cent tax charge, the shares, up 1p to 205p, trade on a multiple of about 8. An exciting acquisition could prompt a re-rating.

P&O tops £58m with the help of OCL

PRE-TAX PROFITS at Peninsular & Oriental Steam Navigation Company rose by 83 per cent to £58.5m — well above City expectations — in the first half of 1985.

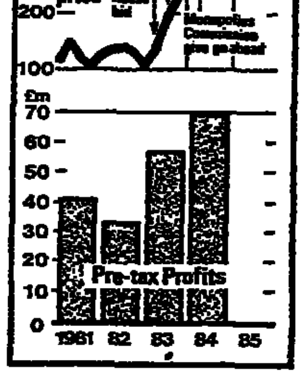
The comparable figure of £32m has been restated according to merger relief provisions in order to reflect the link-up with Sterling Guarantee Trust which took place at the end of last February. Sir Jeffrey Sterling, chairman of the enlarged group, says "the combination of management skills arising from the merger is already benefiting our property and construction businesses as well as our warehousing and road transport interests."

All the group's operating divisions, with the exception of Australia, showed improvements, but most of the increase came from container and bulk shipping, which rose by nearly £13m to £29m at the operating level.

This division includes the share of profits from Overseas Containers, in which P & O has a 47 per cent stake. OCL's contribution was up from £9.9m to £17.9m.

The chairman says that OCL performed well in the period, but adds that the effect of new tonnage and the resultant pressure on rates is beginning to be felt.

Passenger shipping made £6.2m This includes profits on the Royal Princess liner, which has proved a success in the North American cruise market. Revenues here were in line with expectations, though Sir Jeffrey says that the return on the cruising investment as a whole continues to be unacceptable in a difficult market.



Gross external revenue came to £776.8m against £751.7m.

A breakdown of the operating profit from other divisions shows: service industries £17.1m (£14.4m); housebuilding, construction and development £9.6m (£7.6m); P & O Australia £4.3m (£5.5m); banking £3.9m (£3.6m); investment property income £12.6m (£11m). The aggregate operating result includes a total of £20.3m (£11.6m) share of profits less losses of associated companies.

Interest charges were reduced from £17.2m to £15.2m, and tax accounted for £17.4m against £13.2m. This comprises UK tax £7.9m (£5.8m); overseas tax £1.5m (£2.4m); and tax on associates £8m (£5m). After minorities net profits came out at £40.1m (£17.6m).

An extraordinary credit of £3.5m (£50.3m debit) includes realised profits on the sale of properties which are stated after transfer of £5.6m from the revaluation reserve.

The interim dividend is raised from 5p to 6p net per share. Sir Jeffrey says that the 20 per cent increase reflects, in part, the policy of reducing the disparity between interim and final dividends, and should not be taken as an indication of the rate of increase for the year as a whole. Last year a total of 14p was paid.

The interim dividend will account for £14.7m (£7.1m), and is covered by earnings per share of 15.9p (6.9p).

Sir Jeffrey comments: "We have made good progress in the first half of the year, and on indications to date I believe we can look forward to a satisfactory second half."

See Lex

Bunzl lifts profits 57% and on target for £40m

FIRST HALF trading at Bunzl has produced a pre-tax profit increase of 57 per cent, and Mr Ernest Beaumont, the chairman, says that with virtually all of its businesses continuing to perform well, the paper group is on target to achieve its forecast of over £40m for 1985.

In hte six months to end-June the group improved turnover by 11 per cent from £366.29m to £405.55m, and lifted pre-tax profits by £6.94m to £19.02m.

The directors are raising the interim dividend by 1p to 4.25p on the enlarged capital. In June, at the time of the unsuccessful bid for Brammer, the group also forecast a dividend increase from 7.5p to 10p per share for the year. Net earnings for the half year are shown as 13.5p, against 10.1p, adjusted for the rights issue in January.

The chairman says that following this strengthening of the capital base the expansion of the group has continued both through acquisitions and internal developments.

During the first half the group acquired Morane Plastic Company, which complements the activities of Coated Specialities in the graphic art supplies field, and also the business of Regan Paper & Plastics of the U.S., renamed Bunzl U.S.A. Tampa.

Since the end of June the group has acquired Queensland Packaging Materials, a leading distributor of packaging materials in Brisbane, and Monmouth Paper Company of New Jersey.

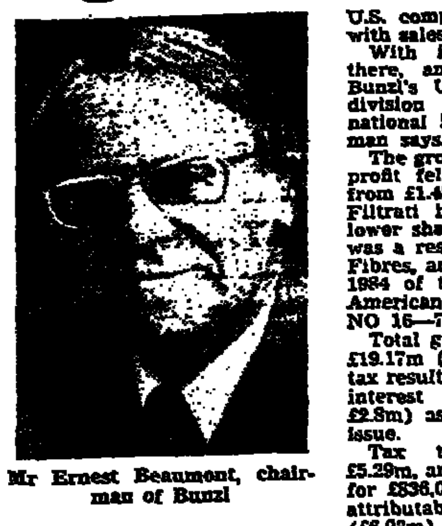
The aggregate cost of these acquisitions was £14.2m, and the value of the net assets acquired amounts to £9.3m. As a result 212 new employees have joined the group.

In July Bunzl disposed of its 40 per cent stake in Ectona Fibres to the majority shareholder, Eastman Kodak. Ectona will continue to supply raw materials to the Filtrona division.

The Filtrona division overall had a good half year due to its strong manufacturing presence in many overseas countries as well as the UK. Filter export achievements, however, were variable in the face of intensive competition, the chairman says.

On a total turnover of £43.12m (£46.28m), trading profits in this division reached £4.59m (£3.45m).

Merchanting increased trading profits from £2.16m to £3.22m, on turnover ahead from £151.74m to £156.28m This improvement was despite very low price levels for most grades of paper and pulp, and intense international competition.



Mr Ernest Beaumont, chairman of Bunzl

Although no appreciable price improvements in paper and pulp are anticipated internationally during the second half, the recent destocking has come to an end, he adds.

The industrial division made a good start to the year with profits of £1.41m substantially ahead of the corresponding £1m. Turnover was £33.86m (£31.75m).

Wycombe Marsh Paper Mills experienced some difficulty in the early part of the year, but with margins improving the company is expecting a bright second half.

Coated Specialities has continued to perform very well and the group intends to expand activities in its markets. Rolex and Seaton Chemicals are both ahead of planned performance and have contributed significantly to the buoyant first half in this division.

Distribution contributed £10.74m (£7.29m) to profits, on a turnover of £183.94m (£146.22m).

In the UK, fine paper distributors Donald Murray (Paper), Rothera & Brereton and Mason's Paper had an excellent first half, the chairman states, while in Australia the acquisition of Queensland Packaging Materials completes the first phase of Bunzl's development there.

The U.S. economy was less buoyant in the first six months than in the corresponding period, and significant price reductions were sustained in certain product lines. Nevertheless, the group's U.S. companies performed well, with sales and profits ahead.

With its recent acquisitions there, and planned expansion, Bunzl's U.S. paper distribution division will become truly national in its scope, the chairman says.

The group's share of associates profit fell during the half-year from £1.48m to £633,000. While Filtrati had a good half, the lower share of associates' profits was a result of losses in Ectona Fibres, and the disposal in June 1984 of the group's interest in American Filtrona.

NO 16—7½/8

Total group trading profit was £19.17m (£13.41m), and the pre-tax result was struck after lower interest charges of £782,000 £2.8m) as a result of the rights issue.

Tax took £8.35m against £5.29m, and minorities accounted for £836,000 (£757,000), to leave attributable profit of £9.83m (£6.03m).

Extraordinary charges came to £8.88m (£586,000), of which £2.8m were costs associated with the bid for Brammer.

At June 30 shareholders' funds amounted to £120.17m (£75.7m).

• comment

It Bunzl maintains this cracking pace, it should not be long before it gets over the disappointment of losing Brammer. Pulled along by the advance of the expanding distribution activities, particularly in the U.S., the group should have little trouble in comfortably exceeding its forecast of £40m pre-tax this year. The most remarkable feature of these results, however, is the way that the group's traditional businesses have managed to keep pace with the newer distribution companies. The Filtrona division, for example, the heart of the pre-1980 Bunzl, has recovered strongly after extensive rationalisation to produce a 33 per cent increase in trading profits. It is then no surprise that Mr James White has the time and the money to spend planning the group's next acquisitions. His attention is now focused on adding a West Coast arm to the U.S. distribution business. But his heart is still set on a major UK acquisition of Brammer's size to add a fifth division to his company. The shares, down 3p to 482p, are well up with events at the group trading on a multiple of 16 assuming full-year profits of £43m and a 43 per cent tax charge. They are likely to maintain their premium rating.

Cement-Roadstone moves ahead

PROGRESS has been achieved by Cement-Roadstone, the Dublin-based manufacturer of construction materials, in the first half of 1985, with turnover ahead 10.6 per cent and profit before tax rising 30 per cent.

Despite the difficult trading start in many of the group's operation's and an unrelieved depressed outlook in the home markets, the directors are confident that the year's results will show a satisfactory improvement on 1984, when turnover reached I£476.26m and profits showed a good recovery to I£19.22m.

Turnover in the period came to £9.35m (£7.19m) equal to £7.36m sterling, after finance charges of £4.98m (£5.38m) and including associates £569,000 (£437,000). The interim dividead is lifted from 1p to 1.5p net.

The profits improvement was made despite a further reduction in the contribution from home activities, where the continuing recession and the unusually bad weather in the early months resulted in more volume declines in most operations.

The directors report cement volumes down 7 per cent, while volumes of other products on average showed somewhat greater decreases. Exports of cement increased from 37,000 tons in the first half of 1984 to 94,000 tons.

While prices in the stone and concrete markets improved somewhat, these were not sufficient to offset the effect of cost increases and the volume declines.

As in 1984, Premier Periclase recorded good sales for its high grade magnesia. Stronger prices and energy efficiencies resulted in an improved performance.

The T. B. F. Thompson group suffered from a decline in activity in Northern Ireland. However, an improved contribution from Farrans (Construction) in England and Scotland resulted in an increase in profits overall.

The new readymix, asphalt and tile plants at Gravesend have been commissioned.

Other European operations outside of Ireland suffered from one of the worst winters this century.

While profits at Forticrete and Henderson declined consequently, Van Neerbos in the Netherlands managed to maintain its profits due mainly to its DIY operations.

• comment

The 4½p fall to 76½p for Cement-Roadstone is a perverse reaction to a 30 per cent rise in profits, even if much of the gain came from a maiden contribution from Callanan. But evidently some Dublin forecasters had allowed their enthusiiasm to run away with expectations of I£11m for the half-way stage — hence the price reaction. However, the figures lokk respectable in every sense and in London yesterday the lower price was accepted as a chance to pick-up stock. At home Cement-Roadstone is quite obviously faced with a very tough market but overseas, which now accounts for 70 per cent of trading profits, the group is going great guns. With three months from Callanan the U.S. now accounts for almost half of group profits against a third in the comparable period and that split could shift even further by the year end. Profits could now emerge around I£26m to I£27m with a caveat against foreign exchange rates and energy costs in Irelnd. That suggests eps of about 9½p for a prospective multiple of 10, which does not reflect "Cement-Roadstone, the international group" but rather "Cement-Roadstone, shackled to the Irish construction sector."

AB Engineering deeper in the red but confident

INCREASED LOSSES of £1.75m compared with £258,000 have been incurred at the pre-tax level by Associated British Engineering in the year to end-March 1985.

Turnover for this Reading-based group fell from £33.17m to £30.16m, and an operating loss of £872,000 was suffered against a profit last time of £411,000.

There is again no dividend. The last payment was a 0.358p interim in respect of the half year to end-September 1983. This time the loss per 12.5p share is shown increased from 1.74p to 7.5p—there were extraordinary items of £2.84m (£756,000).

The directors, however, have confirmed the forecast, made in the rights issue document of May 10 that, in the absence of unforeseen circumstances, profit before tax for the half year ending September 1985 will not be less than £250,000.

Mr Ross Belch, the chairman, says that the recovery expected at hte time of the rights is being sustained.

The share in the loss from associates increased from £25,000 to £54,000, and interest payable rose to £826,000 (£644,000).

Tax took less at £12,000 (£47,000).

Owners Abroad

Owners Aboard, a travel company, has bought Club El Catalan, a holiday complex, in Estartit, on the Costa Brava, Spain, for £950,000. It says the area is increasingly popular with British tourists and the acquisition is in line with its plans for expansion into package holidays.

Wheway to acquire Edge in £1.6m deal

By Charles Batchelor

Wheway Watson Holdings, a West Midlands chainmaker, engineer and forger, is paying £1.63m for Arthur Edge, the drop forgings subsidiary of McLeod Russel, a holding company with plantation, manufacturing and property interests.

It will finance the purchase by the issue of 11.3m shares, equivalent to 28.5 per cent of its enlarged equity, most of which will be disposed of by a vendor placing. McLeod will retain 1.73m shares or 4.35 per cent of Wheway's enlarged equity.

The deal will allow Wheway to expand its drop forging and move into scaffold fittings, which account for half of Edge's turnover. Edge's financial resources, including substantial cash balances, will improve liquidity at Wheway and reduce gearing to 50 per cent.

Wheway's dependence on the National Coal Board will be reduced to 18 per cent, compared with more than 50 per cent before the miners' strike.

The strike pushed the company into a pre-tax loss of £915,000 in the year ended September 1984. It expects a loss, before extraordinary items of £560,000, to be about £470,000 in the current year. The extraordinary items are expected to comprise £380,000 for rationalisation and up to £200,000 to integrate Edge.

Edge has increased turnover to about £3m in the 10 months ended July 1985 from £1m in the year ended March 1981. In the same period it moved from an operating loss of £338,000 to a profit of £132,000. Adjusted net tangible assets at July 31 1985 were £1.87m.

Mr Nigel Openshaw, managing director of McLeod, said: "Edge was not a major part of our group. It represented quite a small investment and its sale will release funds to allow us to build up one or two cash-generative niche businesses in the UK."

Wheway's shares rose 3p to 19½p yesterday while McLeod fell 2p to 303p.

United moves post-haste with its offer for Fleet

BY CHARLES BATCHELOR

EXACTLY a week after it announced the terms of its £226m takeover bid for Fleet Holdings, publishers of the Daily and Sunday Express, United Newspapers, yesterday posted its formal offer document to shareholders.

United, publisher of Punch and the Yorkshire Post, has moved swiftly to implement its offer since gaining Monopolies Commission clearance for a bid on August 21. Bidders are allowed 28 days between announcing terms and posting the offer. United had been waiting for Mopololies' approval since first announcing its intention to bid in March.

United said its offer of 11 shares for every 10 of Fleet with a cash alternative worth 302.5p provided:

- an increase of more than 70 per cent in the capital value of Fleet's shares compared with the 200p price of Fleet in January, before United announced it was buying a 15.76 per cent stake in Fleet.
- an exit multiple of 24.5 times Fleet's historic earnings, excluding profits on the disposal of Fleet's Reuters shares;
- a 67 per cent premium over Fleet's most recently published asset value;
- a 187 per cent increase in income, and
- an opportunity to join a broadly based publishing group with the strength to tackle Fleet's problems.

Mr David Stevens, United chairman, said: "In our view the considerable growth potential of Fleet cannot be realised under the direction of the present board. The management of United has demonstrated it has both the ability and determination to succeed where the present board of Fleet has failed."

Fleet responded through its merchant bank, Kleinwort Benson, saying: "United's offer document demonstrates a total lack of understanding of the outstanding growth that Fleet has achieved since the demerger (from Trafalgar House in 1982).

"It conveniently ignores the fact that Fleet's record of earnings per share growth is far superior to United's. Most of the statements in United's document reflect its naive and glib approach to Fleet's business."

Fleet's shares rose 1p yesterday to 361p while United firmed 3p to 308p. This price values the share offer for each Fleet share at 339p. It values Fleet's entire equity at £288m and the 80 per cent stake which United does not already own at £226m.

Allied Lyons chief says Elders is still buying

By David Goodhart

Allied Lyons, the brewing, wine and food manufacturing group, confirmed yesterday that Elders IXL, the Australian finance to brewing conglomerate, has been increasing its stake in the past few days.

The news gave a fresh fillip to rumours of a consortium bid for Allied led by Elders, supported by Far Eastern interests.

Allied's share price, which has risen over 30p in the last two days closed at 267p, up 15p on the day.

Elders has for some time held an approximately 4.6 per cent stake in Allied and some market rumours suggested that had now risen to over 6 per cent.

Sir Derick Holden-Brown, Allied chairman, stated, however: "According to our register it is clear that Elders are approaching 5 per cent—they have around 4.9 per cent and are still buying according to our latest researches."

Elders is believed to have first acquired a significant stake in Allied a short time before the Bond Corporation launched its successful bid for Castlemaine Tooheys, in which Allied held a 24.9 per cent stake.

Most analysts considered at the time that Elders was opposed to the bid on competition grounds and would have preferred Allied not to sell its stake.

However, the Australian monopolies authority, the Trade Practices Commission, made it clear to Elders that it should not interfere in the bid and Allied subsequently did sell its stake to Bond for about £150m.

The rumours of a consortium bid for Allied have been refuelled by Elders increasing its stake despite the settlement of the Castlemaine bid at the end of August. Mr John Elliott, chairman of Elders, who is in London would not comment last night.

However, some analysts believe Elders has been buying Allied simply to raise the price before selling and that Allied has been happy to publicise the increasing stake because it is on the point of making a bid itself.

Mr John Spicer, analyst at Grieveson Grant, said that with Allied Lyons capitalised at several times more than Elders "the sums don't really add up." But he did not completely rule out a bid which he said would have to be pitched at about 320p a share.

Midsummer in agreement to buy George Bateman

BY CHARLES BATCHELOR

Midsummer Inns, the "real ale" pub chain, has reached agreement in principle to buy George Bateman & Son, a Lincolnshire brewery with 90 pubs throughout the county.

Midsummer's shares, which are traded on the Unlisted Securities Market, were suspended yesterday, at the company's request, at 285p.

Bateman has its Salem Bridge Brewery at Wainfleet, near Skegness. The company made a pre-tax profit of £81,000 on turnover of £4.7m in the year ended January 1984.

Midsummer refused to put a value on the proposed deal though Bateman has assets of about £1.5m.

Mr George Bateman, the chairman, has a 40 per cent stake in the company, Mr John Bateman and his family have 40 per cent, while Mr John Bateman's sister, Helen, controls the remaining 20 per cent through a trust.

Midsummer has 22 of its own pub and discotheque outlets throughout the country but has no brewery of its own. It operates free houses, though Whitbread is a big supplier.

Bateman invited offers for the business and apparently selected Midsummer because the company pledged to keep open the brewery and the pubs, most of which are tenanted.

Midsummer, known until July 1983 as Camra (Real Ale) Investments, is 70 per cent owned by Swithland Leisure, which acquired control in July 1984. Swithland is owned by Mr Adam Page, Midsummer's chairman, and Mr Paul Reece, another director.

Enterprise lifts Saxon holding to 18.6%

By Frank Kane

Enterprise Oil yesterday announced that it had bought more Saxon Oil shares in the market, to lift its holding in the company, for which it is bidding £121m, to 18.64 per cent. The purchase of 350,000 shares was made at the offer price of 540p per share.

The announcement was made as it became increasingly apparent that Saxon shareholders who had previously accepted the terms of the Charterhouse Petroleum merger offer had withdrawn those acceptances in considerable numbers.

J. Henry Schroder Wagg, which is advising Saxon, said there had been "heavy withdrawals," but declined to specify the amount. By next Tuesday, the end of the current extension of the merger offer, the exact number of Saxon shareholders who have withdrawn will be known.

Guinness in French deal

BY MARTIN DICKSON

Guinness, the brewing and retailing group, has bought a majority stake in Hediard, a leading French chain of gourmet food shops, for about £5m.

The purchase is a small, yet significant expansion of the company's retailing interests outside the UK and follows Guinness's acquisition earlier this year of Richter Bros, an importer of speciality foods into the U.S.

Hediard, which was founded in 1854 and built up its reputation in the last century by importing exotic fruits, owns 13 retail stores in France and has wide distribution facilities across the country. Its best known shop is in the Place de la Madeleine, Paris.

Guinness is buying about 80 per cent of the company from the family of M. Philippe Brunon, who heads the management team. The deal has French Government approval.

Mr Ernest Saunders, chief executive of Guinness, described the purchase as an "important strategic move in our retail interests" and said Hediard's export opportunities would be strengthened by the association with Richter.

Guinness last month won its £360m takeover battle for Arthur Bell, the Scotch whisky distiller.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corresponding div.	Total for year	Total last year
AB Engineering		Nil	—	Nil	Nil	0.36
Astbury & Madeley	int.	1.69	Nov 29	1.5	—	6.05
BICC	int.	3.5	Dec 31	3.5	—	10.54
Bunzl	int.†	4.25	Nov 1	3.25	—	7.5
Cement-Roadstone¶	int.	1.5	Oct 9	1	—	2.7
Clondalkin	int.	3.15	Nov 1	2.87*	—	7*
Cope Allman		4.3	Jan 3	2.25	7	4.25
GRE	int.	9	Jan 7	8.5	—	26
Hillsdown Hldgs	int.	1.2	Jan 2	—	—	—
Keep Trust	int.	1.88	Nov 28	1.88	—	3.75
P & O	int.	6	Oct 18	5	—	14
Pacific Sales‡		2	—	—	3	—
Realbrook	int.	0.8	Nov 6	0.6	—	1.9
Ropner	int.	2.5	Dec 31	2.25	—	6.25
Stewart Plastics		1.8	Oct 23	1.64	2.68	2.43
Sun Alliance	int.	5.75	Jan 6	5.75	—	15.5
Wilson (Connolly)	int.	1.15	—	1	—	3

Dividends shown in pence per share except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock. ¶ Irish currency throughout.

Murray Growth

The Merchant Navy Officers Pension Fund has declared its offer for Murray Growth Trust's ordinary shares partly unconditional, and has also increased its offer for the trust's preference shares from 60p cash a share to 100p.

The fund now owns or controls 81.28 per cent of Murray Growth ordinary shares and yesterday declared that offer unconditional as to acceptances. This means that yesterday will be taken as the date for establishing Murray's net asset value under the terms of the bid.

However, the offer remains conditional on those for Murray's B ordinary and preference shares also going unconditional. The fund now owns or controls 39.09 per cent of the B ordinaries and 15.1 per cent of the preference shares.

The ordinary offer remains open until further notice, the B ordinary until September 13 and the preference one until September 20.

The fund said that it would consider whether Murray should continue as a listed investment trust, or be placed in voluntary liquidation, after seeing the level of acceptances and looking at the trust's portfolio in detail.

Astbury

Astbury & Madeley (Holdings), stockbroker and distributor for the engineering and plumbing trades, maker of brass products and printing and paper finishing, has lifted its profit from £703,000 to £891,000 in the first half of 1985.

Current trading continues in line with that, the directors state, and are optimistic that the full year's figure will show a "pleasing improvement" over the £1.5m of 1984.

They are lifting the interim dividend from 1.5p to 1.6875p net, and anticipate raising the final over the 4.55p paid last time should profits be maintained in the current half.

Turnover in the first half showed an increase from £7.45m to £12.53m, of which £3.6m relates to British Fittings (Hendon) and British Fittings (Glasgow), the recent acquisitions. However, profits from that source have been limited in the period due principally to costs arising from reorganisation and computerisation.

There were bank interest charges of £66,000 this time. Tax takes £368,000 (£325,000) to leave the net profit at £523,000 (£378,000) for earnings of 8.44p (6.67p) per share.

UK COMPANY NEWS

Sun Alliance £15m in the red at six months' stage

THE Sun Alliance Group, Britain's largest household insurer, reported a pre-tax loss of £15m in the first half of the year, against last year's £14.3m profit, after underwriting losses had climbed from £104.1m to £123.8m.

The group was hit hard by the severe winter weather at the beginning of the year, which caused underwriting losses in the first quarter to rise by more than a quarter—from £68m to £87m. Losses in the second quarter were virtually unchanged at £36m.

Investment income dropped from £109.7m to £98.8m, last year's cash acquisition of Phoenix Assurance costing £22m in a reduction of investment income. These factors combined to produce the pre-tax loss.

A tax charge of £3.2m, against £6.3m, and unchanged minorities of £2.4m resulted in a net los of £20.6m against last year's first-half profit of £8m.

The group is keeping its interim dividend unchanged at 5.75p.

General insurance premium income rose by 9.5 per cent, from £754.7m to £826.1m, the underlying growth allowing for currency fluctuations being 17.7 per cent.

In the UK, the group's premium income rose by 18.7 per cent from £337.7m to £401m, reflecting mainly the premium rating increases being made in personal and commercial business. Underwriting losses rose from £50.3m to £62.8m, reflecting the winter weather and poor motor experience.

Insurance companies are only now beginning to realise the full impact of the big freeze-up at the start of the year which cost Sun Alliance £27.2m on its property account—mostly arising from domestic house insurance claims—a heavier cost than caused by 1984's winter storms.

The group, with the acquisition of Phoenix, is now one of the major motor insurers in the UK and consequently was hit hard by deteriorating conditions in the UK motor market. Total underwriting losses on the motor account rose from £13m to £21m, with losses on private motor doubling from £5m to £11m and on commercial motor from £3m to £6m. The subsidiary motor insurance operation, Bradford and Pennine, saw losses remain steady at £5m, reflecting that company's clamp-down on new business.

Sun Alliance is increasing its UK motor premium rates by an average of 15 per cent as from the beginning of next month. There was a small increase made to these rates earlier this year, after many months when rates remained unchanged.

The group saw a steady improvement on its UK commercial account with premium income rising 22 per cent of which 13-14 per cent came from rate increases and the rest from volume growth.

Trading conditions in the U.S. saw the beginning of the long awaited improvement. Premium income, excluding the discontinued Continental Pool of Phoenix, rose by half from £62.8m to £91.2m and underwriting losses were reduced from £10.7m to £6.9m.

However, business in Canada deteriorated in line with general market conditions, with underwriting losses up from £4.7m to £10.9m. Both the property and automobile accounts suffered substantial losses.

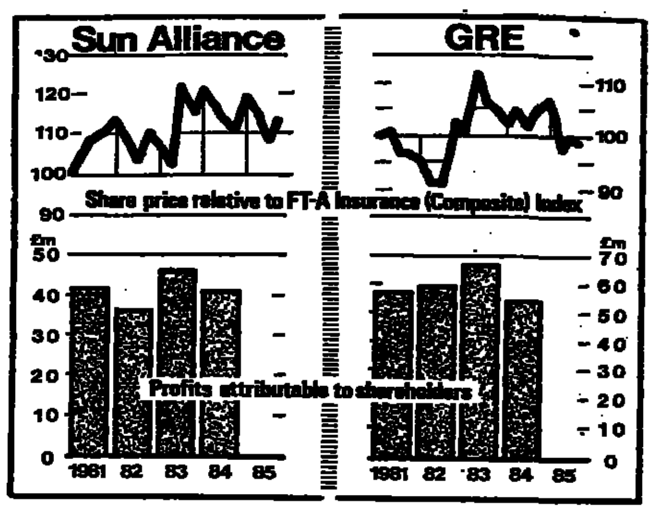
In Australia, the group was hit by the January storms and floods in Brisbane, costing £3.8m, resulted in underwriting losses more than doubling from £3.4m to £8.9m.

In Europe, the severe winter weather and poor motor experience hit the trading results of the Danish operations, while there was an increased loss in Holland. Overall, underwriting losses in Europe rose from £8.1m to £13.4m and premium income declined slightly from £96.1m to £95.2m.

The group's curtailment of its reinsurance business resulted in underwriting losses being cut from £9.9m to £6.4m with premium income slightly lower at £14.3m.

The group is looking for results in the second half to match those of last year. The cost of integrating the Phoenix operations with its large scale redundancies and early retirements, will come through strongly during this period.

See Lex



GRE slumps £45m to break-even in first half

SEVERE winter weather at the beginning of the year, together with rising numbers of motor claims in the UK, resulted in Guardian Royal Exchange barely breaking even over the first half of this year.

The group reported a pre-tax profit of just £800,000 compared with £46.1m in the first half of 1984, after underwriting losses had jumped from £43.9m to £92.2m.

A tax charge of £5.6m against £20.5m last year and minority interests of £1.2m against £1.5m was sufficient to push net profits attributable to ordinary shareholders into the red with a £6m loss against last year's first half net profit of £24.1m.

However, GRE is lifting its interim dividend by nearly 6 per cent from 8.5p to 9p. Mr Peter Dugdale, GRE's managing director, justified this modest increase on the grounds of the underlying strength of the group and confidence in the long term prospects for GRE.

Non-life premium income rose by 13 per cent compared with last year from £589.2m to £666.5m, with an underlying growth rate excluding currency fluctuations of 18 per cent.

Investment income net of interest paid increased in sterling terms by only 2.8 per cent from £83.1m to £85.4m, with an underlying growth of 5.8 per cent. This lower growth rate reflected in part the reduced cash flow arising from the higher underwriting losses and failed to cover those losses.

Profitability at the pre-tax stage was achieved by a £7.6m profit from GRE's long-term life and pensions business, up from £6.9m last year.

The group's problems started in the UK, its largest operating territory. Premium income rose by 20 per cent from £199.7m to £239.4m, but underwriting losses increased by half from £29m to £45.5m.

GRE is one of the UK leading motor insurers and has been hit hard by both rising numbers of claims per 100 vehicles insured by the average cost of a settled claim rising faster than inflation. Claims frequency in the 12 months to June 1985 was 19.9 per cent against 18 per cent for the previous 12 months. Theft claims had risen by 20 per cent. The average cost of claims has risen over 9 per cent in a year from £536 to £585.

GRE, having made two motor rate increases—6 per cent last December followed by 10 per cent this July—is forecasting a further increase before the end of the year as almost a certainty.

In addition, GRE has been hit in the UK by the severe winter weather and the deteriorating household contents account. It made substantial increases in its contents rates as from the beginning of August.

GRE is also experiencing problems with its discontinued professional indemnity contract for major accountancy firms operating worldwide. A further £6.6m of claims had been made in the first half of this year to add to the £8.6m reported in 1984.

Overall, in the UK, underwriting losses were split £25m on personal lines, £10m on commercial business and a further £10.5m on international business written in London.

On its other overseas business, GRE was hit by a series of natural disasters in its Australian account. In addition to the storms in Brisbane and the Victorian bush fires, GRE paid out A$20m (£10m) on damage from four cyclones in Fiji — a country normally relatively free from cyclones.

This meant that an "underwriting profit in Australia of £3.6m in the first half of last year turned round into a £4.8m loss this year.

The group also had severe problems in North America, with underwriting losses of £13.5m against £7.5m in the U.S. and £8.5m against £1.4m in Canada.

Premium income showed steady growth in the U.S. from £69.9m to £97.7m—reflecting the acquisition earlier this year of the Talbot Bird marine agency. However, there was poor experience in personal line business in the country. The Canadian results reflect the very poor conditions in that country.

Elsewhere, business in West Germany remained consistent and improved results where seen in the Republic of Ireland,

See Lex

Wilson Connolly profits up by 15% to £7.8m midterm

Wilson (Connolly) Holdings, a steadily-expanding house builder, contractor and property developer, increased pre-tax profits by 15 per cent to £7.8m in the six months to June 30 1985 compared with £6.8m in the first half of last year.

The rise was attributable to a good performance from housing and contracts, which lifted pre-tax profits 24 per cent to £7.4m (£5.9m). Property sales recorded a £209,000 pre-tax loss compared with a £72,000 profit and profits on rents were down to £645,000 (£786,000).

The interim dividend is being raised 0.15p to 1.15p.

Group turnover was up 11.5 per cent at £42.27m (£37.91m), with housing and contracts up to £40m (£36m), property sales £1.8m (992,000) and rents £846,000 (£848,000).

Tax charges were £3.2m (£2.8m), giving net profits of £4.6m (£3.9m), representing earnings a share of 10.5p (9.1p).

Directors describe the result as satisfactory. They say the cost of money has been high and competition in all the group's activities intense.

With reference to the property trading loss, they say transactions under contract and due for completion in the second half, coupled with negotiations in hand, should lead to satisfactory full-year results.

● comment

About two months ago, following a flurry of brokers' circulars, the market decided that Wilson with its apparently unshakeable growth record and the best margins in the industry was seriously undervalued. After a 30 per cent climb the shares put on a further 6p yesterday to 254p as the results provided the clearest demonstration of Wilson's strength. In the first quarter of the year conditions could scarcely have been worse: poor weather, the miners' strike and a mortgage rate hike depressed completions, and even after a pick-up during the second quarter, volumes for the first half were lower than last year. Nevertheless, Wilson managed to increase profits by raising its average house price, thereby stretching margins. Conditions for the rets of the year are set fair, and with completions likely to at least match last year's total, profits o fabout £17.5m can be expected. However, a price/earnings multiple of about 10½ (after a 40 per cent tax rate) suggests that most of the re-rating is over.

Pacific Sales beats USM profits forecast by 18%

Pacific Sales Organisation has beaten its USM prospectus profits forecast by nearly 18 per cent.

At £460,000 pre-tax, the result for the year to end-June 1985 compares with the previous year's £307,000 and the forecast of £390,000.

Pacific, which is engaged in China trading and is the largest importer and distributor of small leather goods in the UK, acheived the profit on turnover 16.5 per cent ahead at £3.73m.

Shareholders are set to receive a final dividend of 2p making a total of 3p which is 25 per cent better than forecast.

Mr Leo Kalisch, the chairman, says that progress is being made in achieveting the objective of reducing the seasonability of the business.

In addition, he says that borrowings have been reduced from £1.7m to £1.16m and the balance sheet considerably strengthened with net assets increasing from £1.5m to £2.1m. These improvements have resulted from a combination of the receipt of flotation proceeds of £380,000 and retained earnings.

Trading profits emerged 31 per cent higher at £599,665, against £457,722, and the taxable result was struck after interest of £139,639 (£136,056) and exceptional debits last time of £15,000.

Earnings per share rose 13.5 per cent from 7.3p to 8.28p after tax of £46,000 (nil), leaving a net result of £413,982 (£306,666).

The chairman says that the level of orders already placed for Christmas 1985 delivery is highly satisfactory and the directors look forward to another successful year.

Kingsgrange expands by 15% to £411,800

Kingsgrange Products, an expanding toiletries group based in Peterborough, raised pre-tax profits by 14.6 per cent to £411,800 in the year to April 30, 1985, compared with £359,200 in the previou year. Turnover was up 38 per cent at £8.76m against £6.3m.

Mr Ian Aldred, chairman, says the company made excellent progress both in the expansion of its toiletries business and in laying the foundations for a new home products division.

"With leading retailers led by Marks and Spencer putting more emphasis behind their own-label products, out contract sales division continues to grow rapidly and has increased its market share," he says.

The company's own branded products, sold under the Potter & Moore and Jean Sorelle names, have also expanded both at home and overseas, he says.

"The initial months of our new financial year have shown continued growth compared with the previous year. At this stage we anticipate another year of satisfactory growth and remain optimistic about the prospects for the future."

UK COMPANY NEWS

Hillsdown growth pushes halftime profit over £13m

A NEAR 67 per cent surge in pre-tax profits is reported for the half-year ended June 30 1985 by **Hillsdown Holdings**, the food manufacturing and processing group that went public last February.

Joint chairmen Mr David Thompson and Mr Harry Solomon say the performance of the group since the half year continues to be encouraging. They look forward to announcing further significant progress for the year as a whole. In 1984 the group profit came to £18.9m from a turnover of £983.2m.

In the first half of 1985 turnover rose by 9.4 per cent, from £476.8m to £521.5m, while the operating profit moved ahead from £12.5m to £15.5m, a growth rate of 24 per cent. Added to this is a £2.4m reduction in net interest payable, to push up the pre-tax profit from £8.1m to £13.5m.

Interim dividends are initiated with a payment of 1.2p net. Had the company been public throughout the whole of 1984 a total of 3.5p would have been paid in respect of that year. Mr Thompson and his wife have waived their right to the interim on their beneficial holdings of 97.6m shares—over 51 per cent of the issued capital.

The chairmen report improvements across a number of major operating companies at the trading level. Poultry and egg companies, particularly, performed well—turnover £141.3m (£131.2m) and operating profit £8.3m (£5.4m)—while the major acquisitions made by Cartwright Brice at the end of 1984 have enabled the stationery and office supply companies to provide an increasingly important contribution, with sales £22m (£8.9m) and profits £1.8m (£500,000).

FMC has continued to respond to restructuring and reinvestment started in 1984 and, although operating conditions proved difficult, profits showed a satisfactory advance. It helped towards a turnover of £187.6m (£188.9m) and a profit of £2.1m (£1.8m) in the fresh meat and bacon division.

In food processing and distribution turnover moved up from £115.1m to £134.8m but the profit showed a reduction from £2.4m to £1.6m. There was sound improvement at Lockwoods/Smedley's but poor performances in the meat importing companies had an adverse affect.

Recently those companies have shown considerable improvement and a better result is expected over the second half.

Property companies again performed well although profit fell to £1.4m (£2.2m). This is principally due to the timing differences between the years of the disposal of surplus properties, a situation which should be reversed over the second half of the year.

The travel and other companies increased their turnover to £14.8m (£11.4m) but only held their profit at £200,000. In plywood and furniture distribution sales reached £16.4m (£15.9m) and profits £900,000 (£400,000). The plywood side has expanded its sales to the DIY trade considerably in the period.

The chairmen refer to the agreed proposed cash offer for Christie-Tyler, the furniture manufacturer, and say this is a move which provides a unique opportunity for Hillsdown to expand in that area.

Over the first half of the year the group has also acquired a number of small businesses which are mainly complementary to existing operations. It is continuing to look for further acquisitions.

The group has moved into a tax paying position but earnings per share for the period show a rise of 21 per cent to 5.8p. The tax charge was £2.6m (£100,000) and minorities took £300,000 (£400,000), leaving an attributable profit of £10.8m (£7.6m).

The group's activities comprise poultry production, eggs, animal feed, poultry breeding and rearing, with such well known names as Buxted, Harvest, Daylay, Nitrovit and Ross.

In fresh meat and bacon the constituents are FMC Meat and Harris while, apart from Lockwoods and Smedley's, the food processing and distribution side takes in Ludlam, Telfers, Harvest Frozen Foods, A. J. Mills, Northam, Swan Foods and B. Thompson.

● comment

Since Hillsdown came to the market earlier this year, the City has looked on it as the Hanson Trust of the food industry. In prsenting its first set of results, owever, the company has gone to some lengths to prove that it is capable of strong organic growth as well as growth by making canny acquisitions. The evidence is there excluding a couple of trouble spots like the meat importing compaines, most of the other activities made encouraging progress. By far the strongest contributor was the poultry, eggs and animal feed division where costs have been cut and the mix of sales improved to include a greater proportion of fresh poultry. Despite the 6 per cent rise in pre-tax profits overall, the advance in earnings per share was comparatively modest; held back by a surge in the tax charge from almost nothing to 20 per cent, and the increase in the capital. Assuming a similar tax charge for the full year, if Hillsdown makes £29m in total the shares up 3p at 173p are on a p/e of about 14. It will take a good deal of organic growth to justify such a hefty premium to the sector, and whether the company likes it or not, the share price discounts some major new additions to the Hillsdown empire.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: Cadbury Schweppes, Centreway Industries, William Collins, Cookson, Fergebrook, J. J. and D. Frost, Instem, Linread, Moorgate Group, Pentos, Portals, Schroders, Stylo, Wadkin, Wayne Kerr.

Finals: Bracken Mines, Cantors, Kinross Mines, Palmerston Investment Trust, Sheldon Jones.

FUTURE DATES

Interims—	
Bilton (Percy)	Oct 4
Desoutter Brothers	Sept 12
Folkes Group	Sept 17
Hurnleigh Technology	Sept 12
New London Properties	Sept 12
Quick (H. and J.)	Sept 9
Sintrom	Sept 9
Spear (J. W.)	Sept 12
Television Services Intnl.	Sept 9
Westwood Dawes	Sept 18
Woolworth	Sept 18
Finals—	
Finlan (John)	Sept 12
Inmac	Sept 12
Process Systems	Sept 16
Sirdar	Sept 11
Squirrel Horn	Sept 6

Keep Trust optimistic as profits rise 20%

ANOTHER good performance by the motor division of Keep Trust is the main reason cited by the group for a 20 per cent increase in pre-tax profits to £764,000 in the six months to June 30, 1985 compared with £635,000 in the first half of last year.

Mr Greville Howard, chairman says the group expects profits for the full year to exceed the 1984 total of £1.7m, although the percentage increase will not match the 48 per cent achieved over 1983.

In view of this, he says, the directors expect to recommend a final dividend of not less than 2.5p (1.875p), while maintaining the interim dividend at 1.875p.

Meanwhile, the company is to seek shareholders' approval to buy up to a further 806,664 of its own ordinary shares (10 per cent of the issued ordinary share capital on December 31, 1984). This is in line with the Stock Exchange rule change which raised the amount of its own shares a company could buy in the market from 5 per cent to 15 per cent.

The group, also involved in investments and engineering, increased turnover to £33.3m (£31.5m). Pre-tax profits were struck after interest charges of £281,000 (£260,000). Tax took £265,000 (£222,000), giving net profits of £499,000 (£413,000). Earnings per share were up to 6.4p (5p).

The improved results reflect a further reduction in central costs as well as the good performance of the motor division, says Mr Howard.

Wicksteed Leisure, its playground equipment manufacturer, has not shown the increase in profits to which the group has become accustomed, he says. But the company hopes that plans being implemented will lead to a return to profit growth.

Ropner continues upward trend with £4m midway

Ropner, engineer, insurance broker, property developer and shipper, which produced record pre-tax profits of £7.97m in the year to December 1984, continued the trend in the first half of 1985.

It increased pre-tax profits by 23 per cent to £3.98m compared with £3.21m in the first half of last year on turnover up marginally from £28.16m to £28.38m.

The interim dividend is being lifted to 2.5p (2.25p) on ordinary and A ordinary shares.

Pre-tax profits were struck after interest charges of £976,000 (£1.07m) but including investment income not directly related to trading activities of £215,000 (£167,000). Tax charges were £1.86m (£1.42m), giving net profits of £2.1m (£1.8m). Minorities took £81,000 (£76,000). Earnings per share were 8.2p (8.8p).

The engineering division lifted pre-tax profits to £1.49m (£1.32m) and Mr Jeremy Ropner, chairman, says the full-year result should at least equal last year's pre-tax profits of £3.42m.

Horelock ASL, which manufactures garden and plant-watering equipment, made pre-tax profits of £1.65m compared with a record £1.75m in the first half of last year, in spite of what Mr Ropner calls extremely dis advantageous weather. He says the export order book is encouraging for the second half.

Insurance broking recorded pre-tax profits of £599,000 (£171,000) because of an upturn in business referred to in last year's annual report, he says.

An improvement to £367,000 (£821,000) in the shipping division's pre-tax profits is attributable to the increased value in sterling terms of the U.S. dollars earned by two of its five vessels on long-term charter; a modest improvement in revenue from Salmonopool, its other vessel, and a contribution from the group's minority interest in Norwegian Bulk Carriers.

Property development produced pre-tax profits of £33,000 against £49,000. Mr Ropner says one property was sold and the sale of two more is under negotiation. Meanwhile, the investment property in Basingstoke, Hampshire, has been earning rental income since July 1. He says profits for the full year are difficult to predict; it will depend on property sales.

Charles Sharpe meets bid estimate

Charles Sharpe and Co., the Lincolnshire seed grower and merchant, has met the profits estimate it made at the time of the £10.3m agreed cash bid from Booker McConnell.

Turnover for the 12 months to end-June improved from £18.32m to £19.7m and profits at the pre-tax level showed an improvement of £465,000 at £1.05m.

After a tax charge of £281,000 (£149,000) net profits came through at £772,000, against £439,000.

Under the terms of the offer (made last month) Booker is to receive all future dividends and accordingly, if the offer becomes wholly unconditional, no final dividend will be proposed.

Turnover in the UK, after the modest start reported in February, expanded strongly. Exports also achieved a satisfactory increase, despite the fall in demand for marrowfat peas.

Sharpe secured better margins in most agricultural seeds, but the herbage trade generally still suffered from overproduction. Peas were a lively market except in proteins, and beans almost completely recovered from recent stagnation.

UK demand for horticultural seeds increased, backed by heightened interest in the company's new product lines. Sugar beet trade was satisfactory.

The directors say research efforts have been rationalised to concentrate on what they consider to be the best possibilities for development. They are actively exploring other avenues in the bio-technical field and consider that the group will continue to develop and prosper in the foreseeable future.

Sharpes freehold and leasehold buildings were professionally revalued in June with the revaluation indicating a total value in the region of £3.9m as compared with the written down value in the accounts of £2.9m

Technology for Business 58% first half rise

BENEFITS of acquisitions and growth in the original activities have led to Technology for Business lifting its turnover from £1.65m to £4.4m and its profits before tax from £105,000 to £166,000 in the first half of 1985. The group is involved in computer manufacturing and servicing, and is a member of the USM.

Mr Paul Bion, chairman, says one of the major activities has been to absorb the most recent acquisition, RAIR, into a revised group structure. Significant improvements have been achieved from overhead reduction and cost control, and further efforts are being made in order that its profit potential can be realised.

In that connection RAIR will be introducing new products in the second half to increase its penetration of the general multi-user computer market.

Five Technology, the first acquisition, has also extended its product range recently and expects to increase its rate of sales beyond that achieved in the first half.

The original businesses have met their growth targets for the period and expects to do so over the rest of the year.

Although the growth in the market for multi-user computers systems appears not to be quite as rapid as recent forecasts suggested, Mr Bion says the demand is real and the company is well positioned to obtain its share.

The profit for the first half was struck after charging interest £76,000 (£4,000). After tax £19,000 (£2,000) the net profit comes out at £147,000 (£103,000). Deducting a preference dividend this year leaves the earnings unchanged at 3.4p.

All Reabrook divisions in profit

All divisions of Reabrook Holdings, formerly Arrow Chemical Holdings, have operated profitably and produced a higher first half taxable profit of £455,000, compared with £235,000.

Turnover improved from £5.22m to £5.86m with home and export sales increasing by 13 per cent and 7 per cent respectively. The directors look forward to a succesful second half.

The interim dividend for the period to June 30 is being raised by one-third to 0.8p and is covered comfortably by earnings per share more than doubled at 3.3p.

Net profits emerged at £247,000 (£120,000) after tax of £208,000 (£115,000) — interest charges were £20,000 higher at £92,000

Robinson Bros. leaps to £0.73m

Robinson Brothers (Ryders Green), organic chemical maker, raised pre-tax profits from £300,000 to £730,000 in the half-year to June 30 1985.

In recent years the first half has been more profitable than the second.

This year the first half was additionally helped by the high level of the dollar and therefore included a disproportionate part of the expected earnings for the year as a whole.

First-half turnover rose from £8.77m to £10.08m. Tax took £300,000 (£142,000).

The company has close status. Its ordinary shares are unlisted.

Clondalkin fulfilling expectations

Clondalkin Group, the Dublin-based investment holding company, says that recent statements by Dr C. A. Cusack, the chairman, concerning investment and rationalisation continue to fulfill expectations in difficult trading.

Turnover for the first six months of 1985 has risen from I£20.96m to I£24.06m and taxable profits have improved from I£1.21m to I£1.4m (£1.11m).

With earnings per share ahead at 10.01p, against 8.21p, the interim dividend is being raised from an adjusted 2.67p to 3.15p. Total dividends of 7p were paid in 1984 when taxable profits reached £3.13m.

First-half profits were struck after depreciation of £675,000 (£562,000) and were subject to tax of £306,000 (£313,000).

Yearlings at £4.8m

Yearling bonds totalling £4.75m at 11¼ per cent, redeemable on September 10 1986, have been issued by the following local authorities. Cheltenham Borough Council, 0.5m; South Oxfordshire District Council, £0.25m; Gillingham BC, £0.5m; Hart DC, £0.25m; Scarborough BC, £0.5m; Dudley Metropolitan BC, £1m; Sheffield (City of), £1.75m.

GOPENG BERHAD

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES

Interim report and unaudited profit statement for the six months ended 30 June 1985

Mining Results	30.6.85 Group	30.6.85 Company	30.6.84 Group
Output of tin concentrates (tonnes)	710	428	910
Sale of tin concentrates (tonnes)	772	3	765
Stock of tin concentrates (tonnes)	948	667	983
Average price per tonne of tin metal (M$)	29,182	29,182	29,165
Average net price received per tonne of tin concentrates (M$)	20,688	20,688	20,750
Estates Production			
Rubber (kg)	527,974	527,974	556,350
Cocoa (kg)	25,585	25,585	18,929
Profit and Loss Account (M$'000)			
Turnover	18,368	1,545	18,281
Estimated profit after providing for depreciation and depletion but before taxation	5,876	82	5,951
Less Provision for taxation	3,229	232	3,378
	2,647	(150)	2,573
Minority interest	211	—	234
Estimated profit/(loss) after tax	2,436	(150)	2,339

1. **Comparative Figures:** Comparative figures for the Company are not given as the Company only commenced operations on 1st October 1984. Comparative figures of the Group reflect the results achieved in the six months ended 30th June 1984.
2. **Tin Export Control:** During the period under review, Tin Export Control continued to restrict the Group's production of tin ore to approximately 50% of normal production. For the period under review the Group was allotted 664 tonnes of sales quota. However, it was able to sell 772 tonnes of tin concentrates, as additional quotas were acquired by purchase or through grouping arrangements. As at 30th June 1985, the Group held 948 tonnes of tin concentrates in respect of which the Group had no sales quotas. The value of these tin concentrates at cost was approximately $14.4 million. This value was less than that based on the floor price for buffer stock trading.
3. **Current Year Prospects:** The Group mining operations will continue to be adversely affected by Tin Export Control but profits in the second half year are expected to be maintained at the level achieved for the first 6 months under review.
4. **Dividends:** The Directors have declared an interim dividend of M$0.10 per share in respect of the year ending 31st December 1985 payable (less Malaysian Income Tax at 40%) on 25th September 1985 to shareholders on the register at the close of business on 19th September 1985.
5. **Scheme of Arrangement:** The tax residence of The Kinta Tin Mines Limited, a wholly owned subsidiary of the Company, was transferred to Malaysia on 1st August 1985. Arrangements will be initiated in due course to wind up the subsidiary on a voluntary basis.

On Behalf of The Board
Dato' Mohamed Hamdan bin Hazizi
Chairman

Ipoh, 23rd August 1985

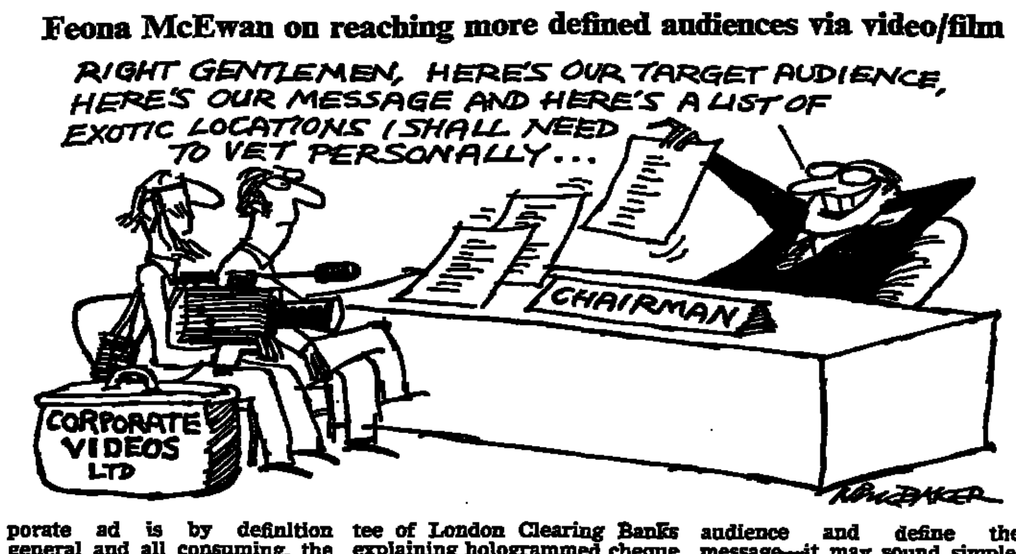
MANAGEMENT Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

Corporate promotion

Getting it taped

Feona McEwan on reaching more defined audiences via video/film



THE FILM opens with a "private eye" being briefed on the telephone. A man in shadow, back to camera, fedora pulled down low, feet slung on to desk, the famous Bogart drawl barely audible. In the distance lazy jazz rhythms set the downbeat mood—all beaty bass strings and sleepy sax. Philip Marlowe stalks again. It's familiar stuff.

But is it? This detective is tracking no crazy broad, but . . . frozen food. What? This film is not on general release, nor is the screening in a cinema. And the audience is invited. It is in fact a corporate video/film — only lasting 16 minutes — made for United Biscuits for showing at its annual general meeting.

Companies that were once happy to communicate to their various audiences—be they shareholders, or consumers, investors or salesforce, bankers or government—by means of a slide presentation are increasingly turning to video or film to communicate their corporate message. The results are often highly professional and well up to broadcast standard. The corporate video/film is gaining ground.

As one exponent put it, television has raised people's expectations in presentation which video/film can fulfil. What is more, it is quite possible to buy video for the same cost as a slide presentation, say £8,000.

The rise and rise of industrial film/video as a corporate marketing tool is underlined by three very different production companies. Two of them, Wadlow Grosvenor International, a well established professional company and Infomercials, a young go-ahead outfit, come with advertising backgrounds, and apply the same marketing disciplines to their business. The third, Michael Barratt Limited is based on a personality and comes with a television background.

What the shareholders at the UB AGM saw in that 16-minute film may have carried a familiar underlying message (company growth, change, expansion, research and development and so on) but the spoof format kept you watching and the script kept you listening ("I took the brochure and split" . . . "My first move was to find out who was buying the goods," mutters the detective as he descends on an Asda supermarket full of UB foods). The humdrum is made memorable.

At first glance the corporate video/film sounds very much like the corporate commercial. But in terms of targeting the message, the former offers a finer focus. Where the corporate ad is by definition general and all consuming, the video is able to speak directly to more carefully defined audiences. Another key difference is cost. For a variety of reasons the corporate video/film can be produced for a fraction of the cost of a commercial.

Wadlow Grosvenor International, the maker of the United Biscuit award-winning film, is one of the leaders in the field. With a turnover of around £2m and clients that take in 38 of the top Times 100 companies, many of which return for seconds, it has a sound track record.

Managing director Jean Wadlow, who has seen her client list in the UK and overseas leap from 17 to over 150 in seven and a half years, notes a new surge of interest in the last 12 months in corporate visual communications. "I've seen a tremendous difference in this time. Clients are now budgeting for internal communication videos and corporate videos," she says, "especially those with an eye to the City."

The variety of uses for corporate films can be shown by some of Wadlow Grosvenor's assignments. (It currently has 67 films in production). There was the five-minute introduction for U.S. investors to Cadbury Schweppes before its share flotation in the States; the nine-minute film for British Aerospace aimed at governments and third world nations; the TWA film aimed at travel agents; a film for the Committee of London Clearing Banks explaining hologrammed cheque cards aimed at all bank staff, and now also being used by large retailers; and the film for British Pipeline Engineers and Contractors aimed at selling expertise to the developing world and the Middle and Far East.

The arguments for corporate film/videos are seductive; they are cost-efficient (costing on the whole a fraction of, say, a 30-second commercial. One company made a nine-minute film for £40,000 to the chagrin of a competitor who admitted he'd spent £120,000 production costs on a 30-second commercial). Most film/videos have longevity (it is possible to update them for instance year on year) and they are effective (a watchable message is a remembered message). They are also portable and easily reproduced.

Quality control is something all three companies are hot on. They believe audiences bred on the sophisticated cinema and television techniques of today will not tolerate any less. "The same rules apply to us. The quality must always be superb," says Wadlow.

The cost of a good corporate film, she reckons, is around £25,000 but the company's range is from around £8,000 to six figures and video film lengths range from five minutes to 28 minutes.

Wadlow approaches the corporate film business with the same disciplines learnt in her advertising and marketing days. One of the first rules for a client is to identify your audience and define the message—it may sound simple, but she says some people come along with seven audiences to address and eight points to make. "We might say let's focus on say one or two target groups and refine the points . . ."

The same principles are upheld by an enterprising young company calling itself Infomercials (information commercials) run by ex-Saatchi men Nicholas Crean and Malcolm Storey. "We look upon films as long commercials," says Crean. "We approach corporate film video in the same way an advertising agency approaches marketing problems, looking for solutions. We don't believe in taking a camera around the corner and pointing it at people. We first talk about the whole reason for the exercise, who the film is addressing and whether we can't, perhaps, cover two audiences in the same film."

Much of the company's business comes through public relations (particularly financial PR) connections and in its first year it has turned over £½m. Its biggest coup to date must be the half hour corporate film for Lonrho. This was shot around the world in 42 days and in 18 countries, from Mexico to Malawi and Bermuda to the Bahamas. The brief was to show the depth and breadth of Lonrho's assets worldwide to mark the 75th anniversary of the company to be shown at the annual general meeting.

At least 400 copies of the film have now been made; it has been translated into six languages including Mandarin. Its lifespan, Crean believes, is between three and five years. "We could easily update the film, if required, from footage already taken. Also it would be easy to separate a film on specific subjects such as mining, agriculture or hotels by isolating them from the original film."

In the UK there's potential for growth, says Crean, who is busy developing a City side in response to increased interest from the financial quarter. "But there's still quite an educational gap among PR agencies who don't always consider the role of corporate video as well as among clients who confuse it with the cost of commercials." This is not to mention the clients who fall prey to "cowboys" who, according to all three companies, are a serious problem. There are plenty ready to undercut the industry with inferior quality film and who give the industry a bad name, they say.

Mike Lockey, head of production at Michael Barratt, explains the problem: "Some clients have had their fingers burnt by companies who use inferior tape, little better than home movies, with poor picture quality which diminishes further on editing and copying. You should use one inch high band video tape," he explains, "which is broadcast standard; the Beeb uses it. You see people charging more than double what a film must have cost and that's including the markup."

Michael Barratt is, of course, television personality Barratt of BBC Nationwide fame. And while many clients will be drawn by the name, seeking the same professional presentation, he is by no means the obligatory frontman. The company uses a number of different professionals depending on the subject.

On average, their programmes work out at about £1,000 a minute.

Again the range of jobs is extremely broad. Lockey particularly likes the film they made for Alcoholics Anonymous. Using actors to represent real-life case histories, this drama documentary has now been translated into six languages, shown on Channel Television, and in Finland and is a ready answer to the frequent question from universities, schools and rotary clubs: "What does AA do?" Six days' shooting with 10 actors cost £14,000.

For Guinness, MBL did a day in the life of the company, showing its various concerns (such as Champneys, 7-11 stores, Park Royal brewery) from 6 am to midnight, all in seven minutes. This was shown the day the company announced its annual results to the City.

B&Q gains while Woolworth loses

WOOLWORTH'S traditional dominance of the £2bn-a-year do-it-yourself market has been badly mauled in recent years, despite DIY sales forming a major plank in its more streamlined marketing strategy under its new owners.

This is in sharp contrast to the performance of its subsidiary B & Q which, according to a new report*, is shown to be the most popular place to shop for DIY products.

Woolworth's strategy, unveiled last year, is to concentrate on six key trading areas—what it describes as the "cornerstones" of its business. They are clothing, leisure, convenience, daily provisions, housewares, and DIY.

The report, published by Harris International Marketing and based on two surveys of over 2,000 adults, found that in 1981 Woolworth had the highest share (21 per cent) of any retailer in "just looking" trips by consumers. At the same time it had the highest share of all retailers (8 per cent) in translating these "looking trips" into actual sales.

By 1985, however, those who said they went to Woolworth just to look had declined to 16 per cent—still the highest figure for any single retailer—but the conversion to sales share had fallen to a miserly 3 per cent.

B & Q, in comparison, fared dramatically better over the same period. In 1981, only 2 per cent of the survey went "looking" in B & Q—compared with 11 per cent of the sample earlier this year. More significant, however, was B & Q's ability to convert consumers from "just looking" into actual purchasers. Its share of buying trips by shoppers rose from 2 per cent in 1981 to 10 per cent earlier this year—by far the biggest conversion rate among DIY retailers.

B & Q, moreover, also persuaded shoppers to spend more on each shopping trip than any other retailer. The average spend per trip, according to the Harris survey, was £26.93. The average Woolworth spend was £9.59.

Woolworth, however, is not the only major retailer to fare badly in the Harris survey. Asda, Fine Fare and Tesco also lost out when customers who were "just looking" in their stores went to others to make their actual purchases.

RETAILER	1981 LOOKING %	1981 BUYING %	1985 LOOKING %	1985 BUYING %
Asda	7	3	6	2
B & Q	2	2	11	10
Fads	4	4	3	3
Fine Fare	5	1	4	1
Tesco	10	2	7	2
W. H. Smith	3	1	5	4
Woolworth	21	8	16	3

Source: Harris International Marketing

* DIY International Shopping and Promotion Intelligence, HIM, 320, Regent Street, London, W1. Price £25.

David Churchill

PR's varied record of keeping clients happy

BRITAIN'S PUBLIC relations consultancies are enjoying a boom year with demand for their services from companies desperately seeking a new image at record levels. Last year the fee income of the major consultancies topped £41m—up from £25m in 1983—and this year their income is predicted to reach £50m for the first time.

But do the consultancies keep their client companies happy?

A new analysis of the Public Relations yearbook, published jointly by the Public Relations Consultants Association and Financial Times Business Information, shows a wide variation in the record of major consultancies in keeping their clients over the last five years.

Each year, association members are asked to list their current client list—the only major source of information available on who works for whom in the PR world. By looking at how many clients are retained each year as recorded in the yearbook, it is possible to see just which consultancies keep their clients.

According to analysis of the last five yearbooks, Welbeck has the best record of keeping clients. On average over the past five years it has retained some 80 per cent of its clients.

Welbeck has perhaps not been as aggressive as other consultancies over the past five years in winning new business — a record acknowledged by its chief executive John Martin.

Good Relations, whose average is taken for the past four years only since it did not appear in the 1981 yearbook, comes second with an average, year on year, client retention rate of 69 per cent.

Such averages, of course, remain simply a statistical exercise and clients can be won and lost for a wide variety of reasons that have nothing to do with the efficiency of a consultancy. But amidst all the PR hype — especially at the PR Index exhibition being held this week at the Wembley Conference Centre — any analysis of figures rather than hyperbole is of considerable interest.

Alan Butler, the next chairman of the PRCA, is conscious of the need for the PR business to remain credible. In an interview in the new edition of the yearbook, to be published shortly, he argues that "the next couple of years should be a period of consolidation for the PR industry with the emphasis switching towards servicing existing clients."

This, he adds, should be given the highest priority. "Only once that is satisfied should we really be looking for the sort of growth rates seen in 1984. Otherwise there is a danger that the whole credibility of PR could be set back several years."

CLIENT RETENTION

CONSULTANCY	1981-85 YEAR ON YEAR AVERAGE %
Welbeck	80
Good Relations	69
Shandwick Group	67
Charles Barker Group	67
Kingsway	65
Daniel J. Edelman	65
Hill & Knowlton	60
Dewe Rogerson	59
Carl Byoir	58
Burson Marsteller	57

N.B.—This table represents only some of the major consultancies who are members of the PRCA.

DC

TECHNOLOGY

EDITED BY ALAN CANE

Cutting the freighter's paperwork

Alan Cane on how electronic mail could simplify life for cargo transporters

A small computer has replaced notepad and pencil for many Spillers' executives as they check supermarket prices for their company's pet foods range. At the end of the day, they connect the computer through an acoustic coupler to their domestic telephones and transmit their findings to headquarters. VNU, a Dutch company publishing a range of data processing journals in the UK, distributes its "hot news sheet" to subscribers on-line. They dial a special electronic mailbox and use a password for access to the day's news.

SPILLERS and VNU are among the leaders in a striking development in electronic information which seems certain to have far-reaching implications. They have built, at very low cost, their own customised services on top of a commercially available electronic mail service. They are using Telecom Gold, one of the biggest electronic mail services operating in the UK.

Now Services Transports Informatiques (STI), a small Swiss-registered company, is ready to market an ambitious new development, based on the same electronic mail service, which could all but eliminate paper from the freight forwarding business, replacing it with electronic documentation.

Mr Terence Westgate, managing director of STI's UK agency, Transport Informatic Services, likens the service to the international electronic messaging systems for the airlines and the banks, SITA and SWIFT.

The chief difference is cost. SITA and SWIFT were specially built at massive cost to the organisations involved. Freight forwarders have neither the organisation nor the capital to set up such a system. Mr Westgate says the cost of access to his system will be £1 a day for the first user in a company and about 30p a day for subsequent users.

That should prove a powerful incentive in an industry where, according to one unkind observer: "to spend more than sixpence ha'penny in one week causes apoplexy."

International shipping companies and freight transporters would love to see the back of the reams of paper which hamper their efficiency and frequently cause delays.

The EEC has already begun to tackle the problem, insisting that from January 1 1988, the existing hotchpotch of freight forwarding forms must be replaced by a single, standard seven-part set.

And in the UK, Customs and Excise encourage the direct input of freighting data—Direct Trader Input—to their computer systems. The Port of Felixstowe and the airports are the leaders here.

What Mr Westgate—who had been involved in setting up Telecom Gold—realised was that electronic mail offers a very low-cost method of automating the transmission of freight documents. The new seven-part set would lend itself ideally to such a development.

Telecom Gold is based on the most widely-available electronic mail service, Dialcom of the U.S., now owned by ITT, the telecommunications giant.

Dialcom is used by about 10 big telecommunications carriers. One of its virtues is that it allows the connection of any kind of terminal.

With a further eye to costs, Mr Westgate is considering offering the French "Minitel," a small terminal developed by the French PTT as the basis of its experiment in the electronic telephone directory. The price of a Minitel is already only £180 or so, and is likely to fall further as production volumes increase.

STI is offering an international electronic trading network. Mr Ken Lyon, a freight forwarding and computer specialist who works for Probe Data Systems, a software house providing much of the freighting software used today in the UK, has developed a method for putting data into the system and getting hard copy out at the other end. His company, Freightnet—a joint venture between himself and Probe—offers software which makes it possible to create a document on, for example, a personal computer screen, send it through the STI network and print out identical hard copy at the other end.

The system already allows messages to be moved between trading companies and provides services such as countertrade facilities, export finance procurement, freight document transfer and shipping insurance.

The Export Credit Clearing House, a subsidiary of London foreign exchange dealer R. P. Martin—Mr Westgate is a director of Martin's—is on the STI network. An exporter can contact ECCH and complete the necessary forms for export credit finance on-line. Once completed, the mandate is sent automatically to ECCH.

The freighting community will soon have the chance to see for itself whether STI has the answer to its paper problems. On October 1, 2 and 3, Valerie Thompson of British Telecom will be running a series of evening seminars for the freighting community at the Crest Hotel, Heathrow. The STI network and Freightnet will be on view.

Easing the load: Valerie Thompson of British Telecom, STI's Terence Westgate (centre) and Ken Lyon of Probe Data with the French Minitel terminal

Machine with an electronic eye on freight volume

RAYRIDGE, the Basildon-based engineering company, has developed a machine vision system which can be installed on conveyor belts and will measure the volume of passing boxes or packages regardless of shape or size.

The system is likely to be of interest to airlines, freight agents and transport organisations which need to be sure about weight (a relatively simple matter) and volume.

In aircraft, for example, when the total flight weight is reached, has the volume been exceeded? In some situations, volume might take precedence over weight in determining charges.

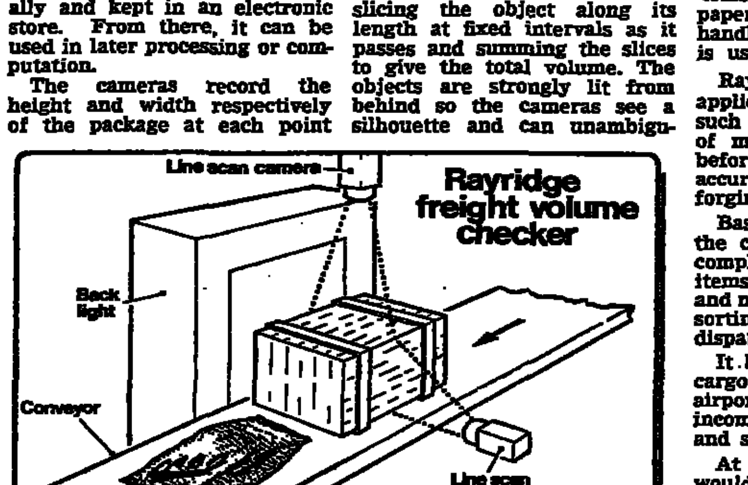
Rayridge has designed the system in conjunction with IMECO, an electronic imaging system company. A pair of line scan cameras is used, one aimed at the side and the other at the top of the package, which moves past at a constant speed.

Such cameras use a lens in the normal way, but instead of producing a rectangular picture, they record on a single line of many pin-point, light sensitive devices an inch or two long. At any moment they view only a thin strip of the object, but can build up the complete image as the object passes.

The picture information in each line is read out electronically and kept in an electronic store. From there, it can be used in later processing or computation.

The cameras record the height and width respectively of the package at each point down its length, and since the conveyor moves at an accurate, constant speed, the system also knows the overall length of the item.

The effect is rather like slicing the object along its length at fixed intervals as it passes and summing the slices to give the total volume. The objects are strongly lit from behind so the cameras see a silhouette and can unambiguously register the dimension at that moment.



The captured data, once stored, can be used to print invoices, bills of lading, customs documents and similar paperwork needed at cargo handling centres where speed is usually essential.

Rayridge sees other possible applications for the system, such as measuring the volume of metal bars or billets, just before they are cut, to produce accurate volumes of metal for forging plant.

Based on the present work, the company plans to develop complete systems for unloading items from lorries, weighing and measuring their volume and sorting them for onward dispatch.

It believes a fully automatic cargo terminal is possible at airports for example, allowing incoming freight to be checked and sorted into specific loads.

At a vehicle bay, lorries would be unloaded by the freight agent's driver on to a height-adjustable roller or belt conveyor extending into the vehicle for maximum convenience. This unit would feed directly on to a faster, fixed conveyor which would run through the volume measuring system and on to a belt weighing device.

Incoming freight would be bar coded in the proposed Rayridge system, enabling their destination to be uniquely identified by a bar code reading device placed after the belt weigher.

After this the freight units go on to a circulating conveyor and move past the entrances to a number of branch conveyors. Each junction is equipped with a diverter controlled by the bar code system.

When a package passes the correct branch, the diverter opens and the branch takes the package to an accumulating store representing, for example, the load for a specific aircraft. Finally, the freight would be placed by robots on to appropriate guided vehicles which would move to the aircraft stands. Rayridge is on 0268 726026.

GEOFFREY CHARLISH

Stronger ceramic from Asahi

A CERAMIC material containing iron compounds which confer great strength has been developed by the Japanese Asahi Glass Corporation.

The new material, "Ceraborex" is expected to have wide applications for metal moulds, hot metal extrusion dices, heaters and electrodes.

Ceraborex is a "cermet" — a new kind of material in which ceramic and metal are combined to produce strength and heat resistance. Asahi claims, for example, that its new cermet is as strong and hard as cemented carbide.

Ceraborex is a composite formed by blending iron powder with zirconium diboride, mixing in a binder and sintering in a rubber press.

According to Mr Kiyoshi Shigeoka, marketing director of Asahi Glass: "The new cermet costs far less than general cemented carbides because expensive rare metals like tungsten and cobalt are not used in its production."

Binocular aims to end blurring

BRITISH Aerospace has developed a lightweight, hand-held binocular designed to overcome the problems of blurred vision associated with making observations from moving vehicles such as helicopters and ships.

The binocular has a gyro-stabilised sightline, using technology incorporated in the company's well-established monocular surveillance system. Magnification power of the standard model is x 12.5, with x 10 or x 14 as options.

Made by Precision Products Group, part of BAe's Army Weapons Division, the binocular features gyro-controlled mirrors which stabilise the device's line-of-sight about two axes. The gyro rotor is driven by a small dc motor powered by dry batteries.

BUSINESS LAW

Anti trust: a non-tariff barrier to trade

By A. H. HERMANN, Legal Correspondent

THE LAKER *saga is over*, but what caused it remains. It was preceded by Anglo-American tensions over merchant shipping and uranium supplies. Unless something is done about the underlying causes, it will be followed by similar conflicts in other fields. Commodity and security trading are among the candidates.

What then is the underlying cause of such difficulties *between friendly nations*, erupting from time to time in the *form of antitrust litigation pursued* in the United States with a pretence of religious fervour, abhorred by the British Government and causing embarrassment to English courts?

Stated very broadly, these conflicts are caused by the growing disparity between economic *interdependence and law*, which remains national, but which the U.S. applies to events taking place beyond its borders.

Viewed more narrowly, the common denominator of the recent series *of jurisdictional* conflicts between the U.S. and its allies is the attempt to use antitrust laws, either directly or by giving free run to private actions, as a weapon of trade policy. This was clearly evident in the Westinghouse uranium litigation, when antitrust laws were employed to destroy and punish a defensive cartel of non-U.S. suppliers, agreed after the U.S. introduced an embargo on imports and knocked the bottom out of the uranium market by releasing its stockpiles.

The trade policy aspect of the recent Laker litigation becomes obvious when reading a fascinating account* of its background by Mr Edmund Dell, who was Secretary of State for Trade *1976-78*, when *the* Bermuda 2 Air Services Agreement between the *U.S.* and the UK was signed.

In contrast with the general concept of economic interdependence based on Gatt and the most favoured nation principle, civil aviation is based on bi-lateral agreements. The U.S. emerged from the war in 1945 with the world's strongest air fleet and a domestic market to support it. No other country could compete and the Americans therefore *adopted the* open skies doctrine. The Bermuda 1 agreement negotiated in 1946, was a compromise between the *U.S. who wanted to be free to fly anywhere*, and Britain which *was not yet ready to face the* competition.

A *similar situation now exists* within the EEC, where the UK does *not fear competition while* the other member states still *do*.

As they gained strength, British airlines felt Bermuda 1 *to* be too restrictive. It was denounced, with one year's notice, in June 1976. The U.S. was furious. President Carter intervened in person. The U.S. threatened to break off air services *with the UK if a new* agreement was not reached in time. Negotiations must have been very tumultuous indeed. "Officials of the State Department uttered private threats which, if they were to be taken seriously, could only suggest that they had taken leave of their senses," writes Mr Dell. An agreement, signed at the last minute, gave UK airlines many more gateways into the American market. It has been *detested by the U.S. ever since*.

At the time when Bermuda 2 was agreed, the Civil *Aviation* Board, the U.S. regulatory agency, had the authority to protect fare-fixing and other restrictive agreements made within the *framework of* the International Air Transport Association *(Iata) against antitrust law* enforcement. In fact, it has done so consistently since 1945. However, in June 1978, a year after Bermuda 2 was signed, the CAB started proceedings with a tentative *order* No. *80-4-113*, *proposing repeal of* antitrust immunity. This can be understood as a consequence of deregulation of civil aviation in the U.S., but *it* was nevertheless a unilateral derogation of one of the basic premises *of Bermuda 2. From this follows* the British Government insistence *in the* Laker disputes that Bermuda 2 gave British airlines antitrust immunity while the U.S. Government denied it.

The undisputed fact remains that the air fares of British Airways and of British Caledonian, alleged to be predatory, were approved by the British *Civil Aviation Authority* (CAA), which also rejected the *rescue package as* inadequate. Thus in the Laker litigation, U.S. courts were invited to question acts of the British Government which, *insofar as they had* an effect within the U.S., were *in agreement with the policy* of the U.S. as expressed in Bermuda 2.

The U.S. courts profess† a *respect for acts of foreign states* in such situations—but not in the case of Laker litigation. Also the status of the Bermuda agreement is more uncertain than a business lawyer would normally believe to be possible. It was not made part of UK law by an act of Parliament, and *Lord Diplock* ticked off Mr Justice Parker (as he then was) *for trying to interpret* it. In the U.S. Bermuda 2 is seen as an "executive" agreement concluded by the President without asking for Senate approval. This is often the case with U.S. trade agreements where the *President fears that he could not overcome opposition* in the legislature. In the case of *Bermuda 2*, it meant that U.S. courts would not recognise it as overruling the antitrust laws.

Apart from the weakness of the *law* and the *attitude* of the courts, the litigation has again demonstrated that it does not matter much if you have no case so long as you have the means to threaten an opponent in court. This is true in England—*but even more so in the U.S.* where pre-trial procedures are horribly oppressive, costly and interminable. If you have a date-line to clear, in this instance for the privatisation of British Airways, you have to *pay up, irrespective of the* rights or wrongs of your case.

Mr Dell expresses the hope that in the world of civil aviation it may be possible to persuade the U.S. to proceed by agreement rather than by unilateral imposition of American law on matters that require *joint decisions. Dealing with* the general issue, he points out that "where American domestic law lies far outside any kind of international consensus, its territorial jurisdiction can create as many problems for international economic relations as can its attempts to exercise *jurisdiction extra-territorially*."

The lack of international con*sensus over* U.S. *antitrust is the* starting point of a remarkable lecture delivered recently by Judge Malcolm Wilkey—who wrote the opinion of the Appeal Court majority in the Laker litigation.§ He traced the origin of the 1890 Sherman Act not to *economic need but to political* necessity. A still predominantly *agricultural* and *frontier* nation feared the sudden emergence of trusts representing power, uncontrolled by the government. As the mutual independence of national economies grew it was natural that conflicts between the American solution of 1890 and those adopted by other nations at different times and stages of economic development *should arise*.

Wilkey considers that very *few of the* various legislative and other proposals now current *in the U.S. promise* a reduction of conflicts generated by extra-territorial antitrust laws. He resolutely rejects the fudging of the issues by asking judges to balance national interests involved and quotes with approval Mr *Peter Durack*, the former Attorney-General of Australia: "It is, in fact, a political question."

Endorsing earlier proposals,‖ Judge Wilkey concludes that instead of turning to a judicial balancing of interests, there is a need for a cold appraisal by the U.S. *of what international* economic activity it truly needs to regulate now at the end of the 20th century. "We should not be hesitant in scrapping certain features of our antitrust laws which have proved useful *primarily in generating* controversy." Instead, he urges the U.S. to reach an agreement with other countries, with Britain and Canada in the first place, on what are the essential and acceptable matters of inter*national economic regulation*.

Judge Wilkey has just been appointed *U.S.* Ambassador to Uruguay. One would hope that *is* not too far for his voice to be heard in Washington.

** Edmund Dell, Interdependence and the judges: civil aviation and antitrust 1985 International Affairs. pp 355-373.*

† Allied II 757 F 2d 516 (2nd Cir. 1985). See also this column August 29. 1985.

‡ June 18, 1985 to the South Western Legal Foundation in Dallas.

§ U.S. Court of Appeal for Dist. of Columbia. Nos. 83-1280 and 1281. March 6 1984.

‖ A. H. Hermann, Conflicts of National Laws with International Business Activity, British-North American Committee, 1982.

F.T. CROSSWORD PUZZLE No. 5,813

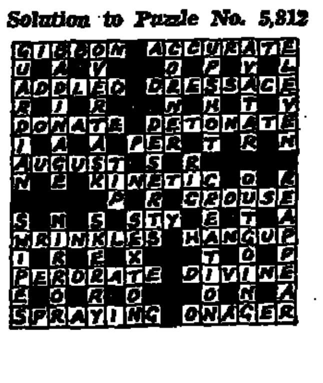
ACROSS

1 Back for a moment (6)
4 Feign illness as Master Fish has reference returned (8)
9 Alter claim note for spite (6)
10 Help out with neat new coat for the animal (8)
12 Minus the agent I've thrown out (8)
13 One's arranged to take 6c for the probationer (6)
15 Once more a rabbit's head is brought in, undercooked (4)
16 I turned to go out, not having been tested (7)
20 Drive companion around a plant (7)
21 Returns the silver left before a sporting occasion (4)
25 Ditch fish containing roe, initially (6)
26 Be with a girl, for example, coming back for a drink (8)
28 Jersey is on top after draw (8)
29 Involved with report about food shortage (6)
30 Rides round on overhead railway, which is ridiculous (8)
31 The French always retire for show (6)

DOWN

1 Doctor Mary's in about the key for the nursery (8)
2 Bill returns mixed grill left by theatre employee (4-4)
3 Delicacy found in tiny unorthodox church (6)
5 Around the outskirts of Liverpool, always join (4)
6 I'm forward and Elizabeth is indecent (8)
7 George gets first aid and it's organised for nothing (6)
8 Poor Nero is crazy about the bird I take out (6)
11 Time to take uniform home to Gateshead (7)
14 Brake, seeing the stretcher the man is holding (7)
17 Having a large area, a U.S. cop is more suitable (8)
18 A princess ordered pears to be taken round the animal park (8)
19 Said when leaving food by the lift shaft (8)
22 Turned up places I'd find silly (6)
23 Free plastic holder for the continental antenna (6)
24 When in charge beat up the woman (6)
27 Are about ready to start back (4)

Solution to Puzzle No. 5,812



Public Works Loan Board rates

Effective September 4

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
1	—	—	10¾	—	—	11½
Over 1, up to 2	10¾	10¾	10¾	11¾	11¾	11¼
Over 2, up to 3	10¾	10¾	10½	11¾	11¾	11½
Over 3, up to 4	10¾	10¾	10½	11¾	11¾	11¼
Over 4, up to 5	10¾	10¾	10⅝	11¾	11⅝	11⅝
Over 5, up to 6	10½	10½	10⅞	11¼	11¼	11⅞
Over 6, up to 7	10¾	10⅝	10⅞	11½	11¼	11⅞
Over 7, up to 8	10¾	10¾	11	11¼	11¼	11¼
Over 8, up to 9	10¾	10⅞	10⅞	11½	11⅝	11⅜
Over 9, up to 10	10¾	10⅞	10⅞	11¼	11¼	11⅛
Over 10, up to 15	11	10⅞	10⅞	11⅛	11⅛	11⅛
Over 15, up to 25	10⅞	10¾	10½	11⅛	11⅛	11
Over 25	10⅝	10½	10½	11⅛	11	11

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

[illegible]

CONTINUED OVERLEAF

AUTHORISED UNIT TRUSTS & INSURANCES

Pearl Trust Managers Ltd. (a)(g)
252, High Holborn, WC1V 7EB — 01 405 8441

Pearl Growth Fd.	64.5	68.4	+0.3	3.14
Accum Units	95.0	101.0	+0.4	3.14
Pearl Inc.	91.1	96.9	+0.4	4.16
Pearl Unit Tst.	94.9	101.0	+0.1	4.16
(Accum. Units)	160.5	170.7		4.16

Perpetual Unit Trust Mngmt. (a)
48, Hart Street, Henley on Thames — 0491 576868

Growth	183.2	196.6	-1.1	1.54
Income	130.6	139.8	-0.4	5.37
Worldwide Recovery	104.8	112.5	-0.7	2.17
American Growth	56.0	60.1	-0.7	0.70
Intl. Emerging Cos.	59.0	61.3	-2.4	0.74
Far East Growth Fd.	45.6	48.9	-0.4	1.0

Prolific Unit Trusts
222, Bishopsgate, EC2 — 01-247 7544/7

Prolific Far East	99.1	106.2	-1.3	0.27
Prolific Extra Inc.	62.8	66.8	+0.2	6.03
Prolific Gilt Cap.	82.6	86.0	-0.2	3.20
Prolific High Inc.	133.8	142.3	+0.7	5.27
Prolific Intl.	82.3	88.2	-0.2	1.75
Prolific N. Amer	115.3	123.9	-0.6	2.47
Prolific Spec. Sits	144.2	153.9		1.66
Prolific Technology	98.3	105.3	-0.8	0.96

Providence Capitol Fd. Mgrs. Ltd.
30 Uxbridge Road, London, W12 8PG. — 01-749 9111

Japan Trust	48.4	51.3	-0.7	..
Worldwide	47.6	50.4	+0.1	2.80
European Trust	50.7	53.7	+0.2	2.13
North American	48.3	51.2	-0.3	2.01
UK Equity	50.7	53.7	+0.1	3.91

Prudential Unit Trust Mngrs Ltd. (a) (b) (c)
51-69, Ilford Hill, Ilford, Essex, IG1 2DL — 01-478 3377

Holborn Equity Tst.	329.2	350.2	-1.1	3.59
Holborn Gilt Tst.	155.5	162.5	+0.1	7.26
Holborn High Inc.	56.1	59.6	+0.1	6.81
Holborn Intl.	59.2	62.9	-0.5	0.56
Holborn UK Growth	65.2	69.3	+0.2	3.27

Quilter Management Co. Ltd.
31-45 Gresham Street, EC2. — 01-600 4177

TSB Unit Trusts (b) (c) (y)
PO Box 3, Keens Hse, Andover, Hants SP10 1PG

TSB American	91.2	97.1	0.6	1.57
Do Accum	95.0	101.1	0.7	1.57
TSB Extra Income	81.4	88.8	+0.1	6.17
Do Accum	99.9	107.1	+0.1	6.17
TSB General	171.6	179.3	-0.1	4.35
Do Accum	197.0	209.5	-0.1	4.35
TSB Gilt & Fxd Int	47.2	49.2		9.42
Do. Accum	56.1	60.6	+0.1	9.42
TSB Income	167.7	178.5	+0.7	4.95
Do Accum	252.9	269.1	+1.0	4.95
TSB Pacific	98.7	105.1	-1.0	0.76
Do Accum	101.3	107.8	-1.0	0.76
TSB International	225.2	239.6	-1.4	1.87
Do Accum	274.1	291.7	-1.6	1.87
TSB Natural Resources	44.8	47.7	-0.1	2.07
Do Accum	45.3	48.2	-0.1	2.07
TSB Sitns. Gwth	47.4	50.5		2.44
Do. Accum	51.0	4.3		2.44

3i & Target Fund Mgrs Ltd
Target House, Gatehouse Road, Aylesbury, Bucks Aylesbury (0296) 5941

Small Co's Fund	65.3	69.8	0.10

Target Trust Mngrs. Ltd. (a)(g)
Target Hse, Gatehse. Rd, Aylesbury Bks — (0296) 5941

American Eagle	64.6	69.1	-1.1	0.27
Australia	28.3	30.2	-0.3	0.10
Commodity	85.0	91.4	-1.1	2.05
Energy	41.1	44.0	.	0.31
Equity	101.1	107.8	-0.1	3.78
European Spec. Sits.	54.4	58.2	-0.5	0.43
Extra Income	90.9	97.2	-0.1	8.36
Financial	208.1	222.0	-0.9	2.57
Gilt Capital	222.9	233.4	+0.2	3.25
Gilt Income	100.6	105.3	+0.1	8.62
Gold Income	60.8	65.0	-0.7	1.81
Gold Acc.	109.8	117.4	-1.2	1.81
Income	60.7	65.2	-0.6	4.76
Japan	43.0	45.8	-0.9	0.10
Malaysia & Singapore	22.2	23.7	+0.1	0.60
Pacific Income	59.7	63.9	-0.7	0.53
Pacific Re Inv.	73.1	78.2	-0.9	0.53
Preference Share	15.8	17.1		10.18
Professional	496.7	529.8	-0.9	2.07
Special Sits	79.9	85.5	-0.5	1.17
Technology	40.5	43.3	-0.6	0.10

INSURANCES

INSURANCE, OVERSEAS & MONEY FUNDS

OFFSHORE AND OVERSEAS

Yamaichi Dynamic Mngt Co SA
10A Boulevard Royal, Luxembourg

Money Market Trust Funds

The Charities Deposit Fund
77 London Wall, London EC2N 1DB 01-588 1815

The Money Market Trust
63 Qn Victoria St, EC4N 4ST. 01 236 0952

Oppenheimer Money Management Ltd
66 Cannon St, EC4N 6AE. 01-236 1425

Money Market Bank Accounts

Adam & Co. plc
22 Charlotte Sq. Edinburgh, EH2 4DF 031 225 8484

Aitken Hume
30 City Road, EC1Y 2AY 01 638 6070

Bank of Scotland
38 Threadneedle St, EC2P 2EH 01 628 8060

Barclays Prime Account
PO Box 125, Northampton 0604 252891

OPTIONS

3-month call rates

Industrials	p		p
Allied-Lyons	16	Marks & Spencer	11
BAT	32	Midland Bk	30
BOC Grp	25	NEI	8
BSR	16	Nat West Bk	60
BTR	52	P & O Dfd	36
Babcock	14	Plessey	17
Barclays	48	Polly Peck	28
Beecham	32	Racal Elect	18
Blue Circle	45	RHM	11
Boots	15	Rank Org Ord	32
Bowaters	20	Reed Intnl	50
Brit Aerospace	33	Sears	8
Brit Telecom	11	TI	28
Brown (J.)	3	Tesco	20
Burton Ord	39	Thorn EMI	35
Cadburys	14	Trust Houses	13
Charter Cons	18	Turner Newall	10
Comm Union	19	Unilever	85
Courtaulds	12½	Vickers	19
Debenhams	17½	**Property**	
Distillers	28	Brit Land	12
FNFC	8½	Cap Counties	18
Gen Accident	45	Land Secs	25
Gen Electric	17	MEPC	28
Glaxo	85	Peachey	22
Grand Met	25	Samuel Props	14
GUS 'A'	60	**Oils**	
Guardian	60	Brit. Oil & Min	4
GKN	17	Brit Petroleum	42
Hanson Tst	17½	Burmah Oil	18
Hawker Sidd	38	Charterhall	6
ICI	60	Premier	5
'Imps'	18	Shell	60
Jaguar	28	Tricentrol	18
Ladbroke	24	Ultramar	29
Legal & Gen	50	**Mines**	
Lex Service	20	Cons Gold	44
Lloyds Bank	45	Lonrho	14
Lucas Inds	25	Rio T Zinc	56

A selection of Options traded is given on the London Stock Exchange Report Page.

COMMODITIES AND AGRICULTURE

U.S. urged to scrap honey price support

By Nancy Dunne in Washington

THE U.S. Government has been badly stung by its long running price support programme for honey, the Government Accounting Office (GAO) has concluded in a report.

The programme is a prime example of Government generosity at work, creating a market for cheaper imports and growing domestic surplusses. It was instituted as a "temporary" scheme in 1950 to ensure an adequate supply of honey bees needed for crop pollination, but says the GAO, it has long outgrown its usefulness.

The scheme cost virtually nothing in the first nine years of its existence. However, inflation pushed the support price up from 32.7 cents per pound for the 1977 crop year to 65.8 cents per pound for 1984.

At the same time, said the GAO, world honey supplies increased more rapidly than demand and prices dropped. With the support price higher than the world market price and the strong U.S. dollar, imports nearly doubled to 109.8m pounds from 1979 to 1983.

The honey programme operates like other U.S. price support schemes. Beekeepers may obtain federal loans on the basis of the support price for honey they have produced domestically. They can then store their produce until the market price makes it advantageous to sell. If the market price isn't right, they can default on their loans and forfeit the honey without so much as interest payments due.

Government costs for managing honey stocks rose from nothing in 1979 to $31m for 1980-83.

The GAO recommends legislation repealing the programme, which simply encourages the production of still another surplus and is no longer needed for crop pollination. But Congress, while bemoaning the ruinous effects of the budget deficit on agriculture, shows no sign of abandoning the nation's beekeepers to perils of competition.

Non-quota coffee sales still high

BY ANDREW GOWERS

THE PROSPECT of a major confrontation between coffee producers and consumers later this month loomed larger yesterday following the release of figures showing a continuing boom in sales of coffee to countries outside the International Coffee Organisation (ICO).

The ICO's governing council is due to meet in 10 days' time to fix the level of coffee exports to be permitted under the International Coffee Agreement's quota rules for the year beginning in October.

But exports to non-members are likely to be a complicating issue at the talks, as major producers like Brazil are keen to crack down on cut-price sales outside the agreement. Several influential members of the Agreement believe these have been seriously undermining its effectiveness.

Between last October and July, exports to non-members totalled 9.9m bags, compared with 8.5m in the same period of the previous coffee year, according to yesterday's figures from the ICO. Indonesia, as before, was the main seller. Exports within the confines of the Agreement, meanwhile, fell to 47.68m bags from 49.20m.

Experienced observers said the high level of sales to non-members probably reflected the continuing effects of a scramble to clinch discount deals in April before an ICO ruling against selling coffee below its minimum price took effect. Non-member sales have dropped since then, but only slightly.

However, the Organisation's council will certainly be scrutinising the figures to try and ascertain whether such sales are genuinely going to non-members or are filtering back into members countries through freeports.

The ICO's figures also show that 10.48m bags of coffee remained to be exported under the Agreement last month and this, provoking fears of a further slide in prices during the final weeks of this coffee year.

Malaysia attacks World Bank over rubber loans

BY WONG SULONG IN KUALA LUMPUR

MALAYSIA has called on the World Bank and other international funding agencies to stop giving concessionary loans for rubber cultivation because of a growing glut in the commodity.

Malaysia's Minister of Primary Industries, Datuk Paul Leong, yesterday strongly criticised the World Bank for allegedly misleading developing countries with optimistic reports about the future of the rubber industry, which is facing one of its worst recessions for some years.

The price of RSS No 1 rubber, the top grade, has now falled to just above 180 Malaysian cents (52p) a kilo—a nine year low. So far the International Natural Rubber Organisation has bought 340,000 tonnes of the commodity without making any appreciable impact.

During the 1970s, the World Bank and other international funding agencies predicted a growing rubber shortage in the late 1980s, and a corresponding real increase in prices for the commodity.

● The Malaysian Government has decided to introduce a new Commodities Trading Bill in the coming session of Parliament next month to coincide with the resumption of palm oil trading on revampled Kuala Lumpur Commodities Exchange (KLCE).

Datuk Leong said his ministry felt that the current Commodities Trading Act required extensive and complicated amendments, and it was more appropriate to replace it with a new Act.

He announced palm oil trading would resume in "late October," instead of September 30, as announced earlier, to allow time to clear up some minor technical and procedural matters.

Broker forecasts sugar crop shortfall

By Our Commodities Staff

WORLD SUGAR production in 1985/86 is likely to fall short of consumption by around 700,000 tonnes, according to a report published yesterday by London trader E. D. & F. Man. The forecast had little market impact, however, as the forecast shortfall is well below the 3m tonnes predicted by C. Czarnikow, another London trader, last month.

Man put 1985/86 output at 96.5m tonnes, down 3.7m from 1984/85.

Jamaica's 1985 sugar harvest yielded 205,900 tonnes, up 12,000 from last year, reports Canute James from Kingston. But this was slightly below the target of 210,000 tonnes.

WEEKLY METALS

All prices as supplied by Metal Bulletin

ANTIMONY: European free market, 99.6 per cent, $ per tonne, in warehouse, 2,830-2,900.

BISMUTH: European free market, min. 99.99 per cent, $ per lb, tonne lots in warehouse, 4.40-4.60.

CADMIUM: European free market, min. 99.95 per cent, $ per lb, in warehouse, ingots, 0.77-0.81, sticks, 0.82-0.87.

COBALT: European free market, 99.5 per cent, $ per lb, in warehouse, 11.20-11.35.

MERCURY: European free market, min. 99.99 per cent, $ per flask, in warehouse, 285-292.

MOLYBDENUM: European free market, drummed molybdic oxide, $ per lb Mo, in warehouse, 3.10-3.20.

SELENIUM: European free market, min. 99.5 per cent, $ per lb, in warehouse, 7.30-7.50.

TUNGSTEN ORE: European free market, standard min. 65 per cent, $ per tonne unit WO_3, cif, 66-72.

VANADIUM: European Free market, min. 98 per cent V_2O_5, other sources, $ per lb V_2O_5, cif, 2.15-2.25.

URANIUM: Nuexco exchange value, $ per lb U_3O_8, 15.75.

Kieran Cooke on the impact of unrest in New Caledonia

Storm clouds over nickel island

PICK UP New Caledonia, shake it and nickel will drop out. The economy of New Caledonia, the South Pacific territory that France has ruled since the middle of the last century, is dominated by the metal.

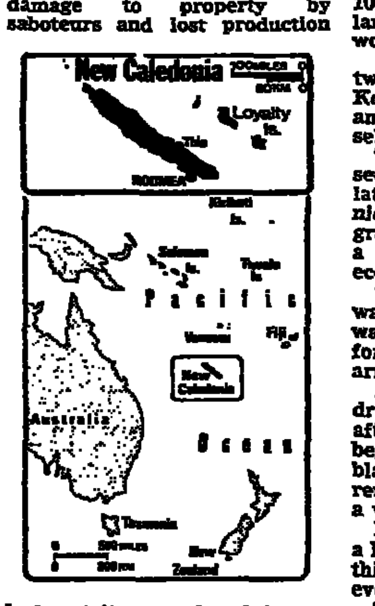
Its reserves make up about one third of total world deposits, and New Caledonian officials estimate that it supplies about 9 per cent of the total nickel market outside the Soviet Union and Cuba with nickel matte and ore.

Mr Arnold Daly, president of the territory's Chamber of Commerce and himself a descendant of Irish miners who arrived in the 1860s, says that more than 95 per cent of New Caledonia's gross national product is derived from nickel mining. The metal accounts for 97 per cent of its export income.

In the past couple of years, the nickel industry's fortunes have been buoyed up by the strength of the U.S. dollar, in which world nickel prices are quoted. But as New Caledonia's political troubles increase, with native pro-independence Melanesians becoming involved in ever more violent clashes with fiercely anti-independence mainly white, settlers, things could go badly wrong.

The extent of the industry's potential problems has been brutally underlined this year. New Caledonia's main nickel mine, at Thio on the east coast, has been closed twice in the past eight months by the unrest — once for three months in early 1985 and again for a week last month.

As a result, Societe Le Nickel (SLN), the main company operating in the territory, reported this week that it had been forced to cut its 1985 ore output plans from Thio by more than 40 per cent from 960,000 tonnes to 550,000. It also said damage to property by saboteurs and lost production



had cost it more than FFr 50m (£4.18m).

The effect has also been to throw the industry's expansion plans into doubt. SLN's nickel exports, in the form of ferro-nickel and matte, had originally been expected to rise to 45,000 tonnes this year from 34,800 in 1984. But although SLN has stepped up production at its other main mine, at Kouaoua, and bought more nickel ore from the territory's small independent miners, there must now be a question-mark over that figure.

SLN, owned 70 per cent by the French state holding company ERAP and 15 per cent each by Elf Aquitaine and Imetal, has been operating in New Caledonia for more than 100 years and is the second largest nickel concern in the world after Inco of Canada.

It either moves ore from its two main mines at Thio and Kouaoua to its smelter at Doniambo on Noumea harbour or sells it direct to Japan.

The company's fortunes have see-sawed over the years. In the late 1960s and early 1970s, a nickel boom encouraged immigration into New Caledonia and a rapid expansion of the economy.

The main explanation for this was the continuing Vietnam war, which encouraged demand for nickel in manufacturing arms.

But later in the 1970s demand dropped off, and only recently, after years of losses, has SLN begun to move back into the black. As one plant manager remarked recently, "We need a war to jack up the prices."

Last year the company made a loss of FFr 209.2m, but earlier this year it was hoping to break even.

The problem now is that both SLN's mines are in politically sensitive areas. The white, anti-independence community is concentrated overwhelmingly in the capital, Noumea, and the pro-independence activists, otherwise known as Kanaks, find it easy to start trouble in the countryside.

Furthermore, most of the company's workforce of 2,300—SLN is the largest employer in the territory—is composed of native Melanesians, though at the smelter in Noumea there is a large proportion of "Caldoche" or white settlers.

So the mining areas have in the past year become a favourite target for strikes and sabotage. Militant Kanaks say they are forced into such action by the intransigence of the white settler community.

Many of the people who control the nickel business are in positions of power on the island. They include M Jacques Le Fleur, head of one nickel concern and leader of the militant anti-independence republican party, RPCR.

The Kanaks say that the mining companies, including SLN, either take money out of New Caledonia or invest it only in Noumea, not the interior.

A further difficulty for mining companies in the territory is provided by the increasing number of disputes over land rights.

Like their fellow Melanesians in other South Pacific countries and the Aborigines in Australia, the Kanaks have a sacred, almost mystical, attachment to the land. No outsider can claim ownership merely by an exchange of currency.

Unfortunately, some of the mining concerns in New Caledonia did not bother with such niceties but simply moved in and started exploiting the land. This has caused considerable resentment among the Kanaks. They are also upset at the way the land has been spoiled by mining operations, and say that little or no attention has been paid to the environment.

The upshot of all this is that SLN appears to have become wary of any further expansion of its facilities in New Caledonia. Indeed, all foreign investors, whether in mining or elsewhere, are being increasingly cautious about the territory.

Market likely to remain in balance this year

BY OUR COMMODITIES EDITOR

THE NICKEL market is likely to remain roughly in balance this year, despite the current dip in demand, and prices are set to recover towards the end of the year, according to the latest quarterly report from Shearson Lehman's metal research unit.

Prices dropped sharply during the third quarter, following the end of attempts by producers to hold the market up and after large quantities of metal were delivered onto the London Metal Exchange from the Soviet Union and the Philippines.

But Shearson says: "The producers are probably right to think that the pendulum has swung too far in the consumers' favour, given that, despite the traditional seasonal downturn, there has been no collapse in demand.

"The market fundamentals indicate that a reasonable balance still exists, although we expect the underlying level of demand to weaken towards the end of the year."

Shearson expects consumption to total around 530,000 tonnes this year, and total supplies, including net imports from communist countries, to reach 535,000 tonnes.

LONDON MARKETS

THIS WEEK's continuing rally in cocoa values, following the sharp sell-off which hit the market in the middle of last week, accelerated yesterday. Although there was little fresh news to influence the traders the December position on the London futures market gained £20 to £1,760.50 a tonne, taking the rise since last Thursday to £34 a tonne. Dealers said the market was again focusing on general concern about the condition of growing crops and the possibility of shipment problems from West Africa.

On the London Metal Exchange zinc prices finished lower despite steadying on a downturn in sterling against the dollar. The cash high grade quotation ended closed at £517.50 a tonne, down £10.50 on the day.

LME prices supplied by Amalgamated Metal Trading

ALUMINIUM

	Unofficial close (p.m.) £ per tonne	+ or —	High/low
Cash	731.5-2.5	—2.5	—
3 months	754-.5	—3.0	758.5/752

Official closing (am): Cash 730-.5 (727.5-8), three months 752-.5 (750.5-1), settlement 730.5 (728). Final Kerb close: 752.5-3). Turnover: 6,275 tonnes.

COPPER

Higher grade	Unoffic'l close	+ or —	High/low
Cash	1015.5	—4.5	1008/1008
3 months	1038.5-40	+2.5	1046/1032

Official closing (am): Cash 1,005-.5-6 (1,014-.5, three months 1,032.5-3 (1,040-1), settlement 1,006 (1,014.5). Final Kerb Close: 1,040-.5.

Cathodes			
Cash	988-92	+9.5	983/982
3 months	1015-8	+3.0	—

Official closing (am): Cash 982-.5 (989-90), three months 1,009-11 (1,016-[illegible]

LEAD

[illegible]

NICKEL

[illegible]

ZINC

[illegible]

MAIN PRICE CHANGES

In tonnes unless otherwise stated.

METALS	Sept 4 1985	+ or —	Month ago
Aluminium	£1100		£1100
Free Mkt	$1045/65	+5	$1050/70
Copper			
Cash h Grade	£1014	+3.5	£1059
3 mths	£1038.75	+2.5	£1079.5
Gold Troy oz	$324.75	—3.75	$321.85
Lead Cash	£289.75	—2	£296
3 mths	£300.25	—1.25	£299.25
Nickel			
Free Mkt	218/258c	—1	226/245c
Palladium oz	$103.25	—1.25	$98.25
Platinum oz	$312.25	—10.25	$278.00
Quicksilver†	$290/300		$290/300
Silver troy oz	442.85p	—8.15	454.95p
3 months	455.05p	—8.85	467.55p
Tin cash	£9088	+2	£9286
3 months	£9051.5	—1.5	£9256.5
Tungsten	$67.32		$71/85
Wolfram 22.0lb	$65/70		$64.70
Zinc	£517.5	—10.5	£549.5
3 months	£532.75	—11	£547.5
Producers	$780/850		$850

OILS	Sept. 4 1985	+ or —	Month ago
Coconut (Phil)	$435z	—10	$520
Palm Malayan	$380y		$427.5
SEEDS			
Copra Phil	‡		$340
Soyabean (U.S.)	$212.5	—2.5	$218.5
GRAINS			
Barley Fut. Nov.	£104.70	+0.10	£102.40
Maize	£130.00y	—0.5	£136.00
Wheat Fut. Nov.	£104.55	+0.75	£101.70
No. 2 Hard Wint.	‡		‡
OTHERS			
Cocoa Ft. Dec.	£1760.5	+20	£1719
Coffee Ft. Nov.	£1645	+2	£1701
Cotton A Index	‡		57.70c
Gas Oil Oct.	$249.	+1.75	$228
Rubber (kilo)	51.25p		54.5p
Sugar (raw)	$135z	+8	$127
Wooltops 64s	424p kilo		455 pkilo

‡ Unquoted. z Sept-Oct. y Oct. † Per 76-lb flask. c Cents per pound.

TIN

High grade	Unofficial close (p.m.) £ per tonne	+ or —	High/low for day
Cash	9087-9	+2.0	—
3 months	9053-5	+2.0	—

Official closing (am): Cash 9,085-6 (9,085-6), three months 9,051-2 (9,051-2), settlement 9,086 (9,086).

Standard			
Cash	9087-9	+2.0	9085/9086
3 months	9051-2	—1.5	9060/9050

Official closing (am): Cash 9,085-6 (9,085-6), three months 9,050-1 (9,050-1), settlement 9,086 (9,086). Final Kerb close: 9,050-1. Turnover: 380 tonnes. Straits tin $m 30.43 (30.60) kilo.

GOLD

Gold fell $3¼ to $324¾-325 on the London bullion market yesterday. It opened at $324-324½, and was fixed at $325 in the morning and $326 in the afternoon. The early weakness followed the return to work by striking miners in South Africa, but gold was then pushed up by short covering out of Geneva, to a peak of $328-328¾. The lowest point touched during the day was $322¾-323. [illegible]

GOLD BULLION (fine ounce) Sept. 3

[illegible]

GOLD AND PLATINUM COINS

[illegible]

SILVER

[illegible]

GRAINS

WHEAT Mnth	Yesterd'ys close	+ or —	BARLEY Yesterdys close	+ or —
Sept.	103.35	+1.80	102.10	+0.25
Nov.	104.55	+0.75	104.70	+0.10
Jan.	108.30	+0.85	108.20	—
Mar.	111.25	+0.95	111.20	—0.10
May	114.65	+0.95	114.00	—
July	117.35	+0.90	—	—

Business done—Wheat: Sept. 103.35-1.70, Nov. 104.55-3.75, Jan. 108.30-7.40, March 111.25-10.30, May 114.65-3.75, July 117.35-6.45. Sales: 277 lots of 100 tonnes. Barley: Sept. 102.10-1.75, Nov. 104.75-4.40, Jan. 108.20-8.00, March 111.20-1.00, May 114.05-3.80. Sales: 158 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1, 15 per cent: Oct 124.50, Nov 126.20, Dec 128.20 transhipment East Coast. U.S. No. 2 Soft Red Winter: Sept 105.25, Oct 107.75, Nov 109.25, Dec 110.50. EEC: Sept 112.00. English Feed, fob: Jan/June 114.50 paid East Coast, Sept 102.50 seller, Oct 103.75-104.50, Jan/March 111.75 bid, April/June 116.75 bid. Maize: U.S. No. 3 Yellow/French, transhipment East Coast: Oct/Dec 130.00. Barley: English Feed, fob: Sept 101.75, seller, Oct 104.75-105.00, buyer/seller, Oct/Dec 107.50, bid, Jan/March 112.50-112.75 buyer/seller, April/June 117.50, sellers. Rest unquoted. [illegible]

INDICES

FINANCIAL TIMES

Sept.4	Sept. 3	M'th ago	Year ago
254.04	253.77	256.09	293.06

(Base: July 1 1952 = 100)

REUTERS

Sept. 4	Sept. 3	M'th ago	Year ago
1708.9	1701.4	1664.7	1870.1

(Base: September 18 1931 = 100)

DOW JONES

Dow Jones	Sept. 3	Aug. 30	Month ago	Year ago
Spot	112.41	113.65	—	127.85
Fut.	115.17	114.71	—	127.26

(Base: December 31 1974 = 100)

COFFEE

During a quiet morning values drifted lower from initial gains to trade £18-30 lower, reports Drexel Burnham Lambert. Fluctuating sterling tended to restrict any movement before trade buying inspired a steady close in light volume.

COFFEE	Yesterday's Close	+ or —	Business Done
Sept.	1605-1607	—9.0	1608-1590
Nov.	1644-1646	+2.0	1650-1625
Jan.	1676-1680	—4.5	1682-1668
March	1705-1710	—9.5	1718-1695
May	1730-1745	—10.0	1744-1724
July	1765-1775	—7.5	1768-1760
Sept.	1765-1810	—	—

Sales: 2,018 (2,909) lots of 5 tonnes. ...ICO indicator prices (U.S. cents per pound) for September 3: Comp. daily 1979 119.43 (119.49); 15-day average 120.68 (120.64).

SUGAR

LONDON DAILY PRICE—Raw sugar $135.00 (£98.50), up $9.00 (up £6.00) a tonne for September-October delivery. White sugar $176.50, up $10.50.

News that all of the 150,000 tonnes from Spain had been purchased by one trade house provided the incentive for a further rally, reports C. Czarnikow.

No. 6 Contract	Yest'day's close	Previous close	Business done
[illegible]	[illegible]	[illegible]	[illegible]

COCOA

[illegible]

SOYABEAN MEAL

[illegible]

RUBBER

[illegible]

COTTON

[illegible]

OIL

Two dated cargoes of September Ninian were moved at around $28.10, otherwise prompt barrels were neglected. 15-day Brent traded moderately at slightly weaker levels. Nymex WTI for October opened 8c down and traded 4c up at 1.30 pm edt. In the petroleum products market gas oil prices remained firm in thin trading. Naphtha prices fell for all periods. Improved supply of most grades of high sulphur fuel forced prices down $1-2—Petroleum Argus, London.

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)—Sept.		
Arab Light	27.75-27.85*	—
Arab Heavy	26.50-26.60*	—
Dubai	26.80-26.85*	—0.125
Brent Blend	27.90-28.00	—0.075
W.T.I. (1pm est)	28.20-28.30*	—
Forcados (Nigeria)	28.15-28.25	—
Urals (cif NWE)	27.05-27.15	—
PRODUCTS—North West Europe Prompt delivery cif ($ per tonne)		
Premium gasoline	257-259	—
Gas Oil	255-257	+2
Heavy fuel oil	138-139	—1.5
Naphtha	253-255	—1.5

* October.

Petroleum Argus estimates

GAS OIL FUTURES

Month	Yest'day's Close	+ or —	Business Done
	$ U.S. per tonne		
Sep	256.25	+4.25	258.25-54.50
Oct	249.00	+1.75	249.25-47.25
Nov	246.00	+1.75	246.25-44.50
Dec	244.00	+0.75	244.25-43.00
Jan	242.50	—0.50	244.50-42.00
Feb	241.00	+2.75	241.00-40.00

Turnover: 2,366 (1,640) lots of 100 tonnes.

POTATOES

The market opened marginally firmer in slow trading after Tuesday's weak close but buying interest firmed prices which closed near the highs after meeting resistance at £85.00, basis April. Weather is stil the dominant factor, reports Coley and Harper.

Month	Yesterday's close	Previous close	Business Done
	£ per tonne		
[illegible]	[illegible]	[illegible]	[illegible]

PIGMEAT

[illegible]

FREIGHT FUTURES

[illegible]

U.S. MARKETS

PRECIOUS METALS traded nervously higher in response to the weak dollar along with concerns over the U.S. farm credit system, reports Heinold Commodities. The lack of fresh news and scattered arbitrage buying tended to support copper and aluminium. Sugar backed off from sharp gains made early in the session, based on a constructive EEC selling tender, as profit-taking and light producer selling emerged. Cocoa showed slight gains on scattered manufacturing pricing and the lack of producer selling. Coffee came under pressure from bearish technical indications along with poor dealer interest. Anticipation of a bullish stocks report encouraged a firm tone to the energy complex, particularly heating oil. Poor demand and favourable crop conditions weighed on cotton values. The soyabean complex rallied on good export interest which touched off short-covering. The grain complex was steady as cash offers remained light.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
Sept	44.10	44.30	44.25	43.95
Oct	44.45	—	—	44.40
Nov	44.85	—	—	44.70
Dec	45.25	45.50	45.25	45.20
Jan	45.65	45.80	45.65	45.60
March	46.30	46.55	46.40	46.25
May	47.00	—	—	46.95
July	47.70	—	—	47.65
Sept	48.40	—	—	48.35
Jan	49.80	—	—	49.75

COCOA 10 tonnes, $/tonnes

	Latest	High	Low	Prev
Sept	2155	2155	2135	2134
Dec	2225	2234	2208	2204
March	2270	2275	2252	2249
May	2294	2294	2275	2270
July	2308	2308	2290	2288
Sept	2315	2300	2297	2288
Dec	2320	2320	2301	2298

COFFEE "C" 37,500 lb, cents/lb

	Close	High	Low	Prev
Sept	134.77	135.60	134.25	135.75
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
Sept	61.10	61.15	60.60	60.85
Oct	61.30	—	—	61.10
Nov	61.55	—	—	60.90
Dec	61.80	61.85	61.40	61.60
Jan	62.05	—	—	61.85
March	62.50	62.60	62.15	62.35
May	62.85	62.70	62.60	62.75
July	63.25	63.35	63.10	63.20
Sept	63.65	63.65	63.55	63.65
Dec	64.40	—	—	64.40

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
Oct	58.17	58.40	58.15	58.66
Dec	58.49	58.80	58.21	58.61
March	59.55	59.89	59.50	59.80
May	60.06	60.21	60.04	60.25
July	59.97	60.04	60.00	60.25
Oct	55.05	—	—	55.05
Dec	54.30	54.25	54.20	54.25

CRUDE OIL (LIGHT) 42,000 U.S. gallons, $/barrels

	Latest	High	Low	Prev
Oct	28.27	28.37	28.20	28.28
Nov	27.79	27.98	27.77	27.89
Dec	27.45	27.58	22.75	27.80
Jan	27.23	27.35	27.22	27.36
Feb	27.00	27.10	26.97	27.10
March	26.80	26.94	26.80	26.94
April	26.60	26.66	26.60	26.74
May	26.45	26.49	26.45	26.54
June	26.26	26.29	26.26	26.34
July	26.14	26.14	26.14	26.19

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Sept	324.9	—	—	324.6
Oct	326.7	328.8	325.7	326.6
Nov	328.9	—	—	330.3
Dec	331.1	333.1	330.0	331.0
Feb	335.4	337.8	334.5	335.3
April	339.8	342.0	338.8	339.7
June	344.6	345.5	345.0	344.5
August	349.4	—	—	349.4
Oct	354.4	356.5	355.0	354.4
Dec	359.4	360.5	359.2	359.4
Feb	364.7	366.2	363.5	364.7
April	370.1	370.8	370.8	370.1
June	375.8	—	—	375.8

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Latest	High	Low	Prev
Oct	79.02	79.85	78.90	79.16
Nov	79.40	79.95	79.25	79.61
Dec	79.40	79.90	79.25	79.77
Jan	79.36	79.90	79.35	79.90
Feb	78.40	78.65	78.25	79.10
March	76.36	76.80	76.25	76.30
April	73.00	73.40	73.00	73.65
May	72.70	—	—	73.10

ORANGE JUICE 15,000 lb, cents/lb

	Close	High	Low	Prev
Sept	134.30	134.70	134.10	134.80
Nov	129.30	129.75	129.20	129.80
Jan	125.15	125.60	125.10	125.60
March	123.85	124.20	123.70	124.30
May	122.65	123.25	123.25	123.10
July	122.65	—	—	123.10

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
Sept	314.4	—	—	313.4
Oct	314.9	321.0	313.0	314.4
Jan	316.1	321.5	314.0	315.4
April	318.9	324.0	318.5	317.4
July	321.9	325.5	322.0	320.1
Oct	324.9	330.0	326.0	323.1

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Sept	605.2	609.5	602.0	600.7
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sept	658.8	663.0	658.0	654.9
Dec	674.0	680.0	673.0	670.4

SUGAR WORLD "11" 112,000 lb, cents/lb

	Close	High	Low	Prev
Oct	5.23	5.44	5.11	5.27
Jan	5.30	5.45	5.22	5.32
March	5.70	5.85	5.46	5.61
May	5.92	5.95	5.60	5.74
July	6.13	6.15	5.85	5.92
Oct	6.44	6.45	6.17	6.21
Jan	6.35	—	—	6.12

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
Oct	54.47	54.85	53.70	54.60
Dec	56.87	57.20	55.90	56.75
Feb	56.42	56.85	55.45	56.42
April	57.32	57.75	56.65	57.57
June	58.30	58.60	57.30	58.52
August	57.20	57.55	56.50	57.55

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
Oct	36.70	36.80	34.95	36.00
Dec	38.15	38.20	37.27	37.82
Feb	39.85	39.90	39.06	39.15
April	37.20	37.20	36.52	36.80
June	41.02	41.20	39.90	40.45
July	41.27	41.35	40.50	40.75
August	40.87	40.90	40.35	40.35
Oct	38.25	38.25	38.07	38.25
Dec	38.45	38.75	38.37	38.75

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
Feb	57.82	57.95	55.90	56.40
March	57.75	57.85	55.85	56.20
May	59.12	59.25	57.25	57.65
July	59.10	59.75	57.65	57.75
August	57.15	57.40	55.50	56.70

MAIZE 5,000 bu min, cents/56-lb bushel

	Close	High	Low	Prev
Sept	225.2	225.4	223.0	224.4
Dec	217.0	217.2	214.4	216.2
March	227.0	227.2	224.6	226.4
May	234.2	234.2	232.0	233.6
July	237.4	237.4	235.6	237.4
Sept	228.2	229.4	227.2	228.0
Dec	225.4	226.0	224.0	225.0

SOYABEANS 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Sept	516.0	516.4	505.0	506.6
Nov	512.4	514.0	502.2	504.0
Jan	522.4	523.4	512.2	514.0
March	533.2	534.0	523.4	525.6
May	542.6	543.0	532.0	535.0
July	548.0	548.0	537.4	539.4
August	547.0	547.0	538.4	539.4
Sept	545.0	545.0	535.0	536.6
Nov	545.0	546.0	535.4	536.6

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
Sept	125.6	125.9	122.7	122.8
Oct	126.7	127.0	123.7	123.7
Dec	130.0	130.5	126.7	126.9
Jan	131.7	132.0	128.5	128.5
March	135.1	136.0	131.8	132.0
May	137.0	137.0	134.0	134.6
July	140.0	141.0	136.7	137.5
August	141.2	141.5	137.5	138.0
Sept	139.5	140.0	138.0	138.8

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
Sept	22.57	22.59	22.30	22.45
Oct	22.30	22.25	21.84	22.06
Dec	21.93	21.97	21.62	21.89
Jan	22.08	22.10	21.75	22.07
March	22.35	22.35	22.00	22.35
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

WHEAT 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Sept	277.0	277.0	271.4	274.6
Dec	288.2	288.4	282.4	288.6
March	295.6	296.0	289.2	293.2
May	292.0	292.0	288.0	290.4
July	271.0	271.4	268.4	269.0
Sept	273.4	273.4	273.4	271.4

SPOT PRICES—Chicago loose lard 16.50 (16.00) cents per pound. New York tin 574.0-77.0 (572.0-78.0) cents per pound. Hardy and Harman silver bullion 603.5 (615.0) cents per pound.

OTHER MARKETS

MEAT

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 94.29p per kg lw (−1.24). GB—Sheep 143.84p per kg est dcw (−1.95). GB—Pigs 78.74p per kg lw (−0.42). GB—AAPP 99.75p per kg dw.

SMITHFIELD—Pence per pound. Beef—Scotch killed sides 76.0-82.0; Ulster hindquarters 82.0-86.0. Veal—Dutch hinds and ends 137.0-142.0. Lamb—English small 66.0-72.0, medium 62.0-68.0, heavy 60.0-64.0; Scotch medium 62.0-65.0, heavy 60.0-63.0. Imported: New Zealand PL 60.0-61.0, PX 60.0-61.0. Pork—English under 100 lb 47.0-56.0, 100-120 lb 50.5-54.0, 120-160 lb 46.5-49.5.

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. Oct 608.0, 610.0, 610.0-608.0; Dec 611.0, 615.0, 614.0-612.0; Mar 616.0, 621.0; May 626.0, 633.0; Jly 630.0, 638.0; Oct 622.0, 636.0; Dec 626.0, 640.0; Mar 635.0, 643.0. (Mar 86-Mar 87 untraded). Sales: 27.

HIDES

HIDES—Manchester (Leeds). Second clears, p per kg. (w—withdrawn). Ox: 31-35 kg. 89.3 (89.1w); 26-30 kg 103.0w (140.1w); 22-25.5 kg. 107.0w (109.1w). Cows: under 25.5 kg, n.a. (103.0w).

ROTTERDAM

WHEAT—(U.S. $ per tonne) U S. No. 2 Red Winter: Spot 130, Sept 128, Oct 129, Nov 131. U.S. Northern Spring, 14 per cent protein: Sept 163.50, Oct 152.50, Nov 155, Dec 159. U.S. Northern Spring, 15 per cent protein: Oct 167.50, Nov 170, Dec 173. U.S. No. 3 Hard Amber Durum: Sept 165, Oct 166, Nov 170, Nov 15/Dec 171, April/May 170, June 170. Canadian Western Red Spring, 13.5 per cent: Sept 160, Sept 20/Oct 10 163, Oct 165, Nov 167.

MAIZE—(U S. $ per tonne) U S. No. 3 Yellow: Spot 118.50, Sept 117, Oct 109, Oct/Dec 108, Jan/March 112, April/June 114. Argentine, Plate: Sept 122, Oct 122, March 109, April/June 109.

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar shows signs of easing

The dollar showed signs of weakening yesterday. Renewed optimism, after last Friday's better than expected U.S. trade figures, kept the dollar in demand during the morning, but profit taking appeared as the currency approached DM 2.87. This followed news that the U.S. Federal Farm Credit System had applied for Federal support, prompting a flight to quality in U.S. financial markets and buying of Treasury paper. The dollar quickly lost about 3½ pfennigs to hit a low of DM 2.8330, before recovering a little in nervous late trading. U.S. unemployment figures on Friday are awaited to see whether they provide further evidence of an economic revival. Yesterday's nervousness reflected scepticism about a recovery, or that the flash estimate of third quarter U.S. GNP, due on September 20, will be any more encouraging.

The dollar fell to DM 2.8475 from DM 2.8540; FFr 8.7025 from FFr 8.7150; and SwFr 2.3455 from SwFr 2.3510, but was slightly firmer at Y239.55 against Y239.45.

On Bank of England figures the dollar's index fell to 139.0 from 139.1.

The South African commercial rand was adversely affected by a demand for dollars and a severe shortage of the U.S. currency in South Africa. The rand closed at 39¾ U.S. cents in London, compared with 41½ cents on Tuesday. In Pretoria the South African Reserve Bank was believed to have intervened when the rand hit a low of 37 cents. The financial rand was little changed at around 37 cents, after touching 35 cents, suggesting the pressure on the rand was not due to disinvestment.

STERLING — Trading range against the dollar in 1985 is 1.4920 to 1.0525. August average 1.3838. Exchange rate index was unchanged at 82.0. It opened at 81.9, the low of the day, and touched a peak of 82.2 in the afternoon.

Sterling was generally firm, showing no reaction to a slight easing of London money market interest rates. The pound gained ½ cent to $1.3735-1.3745, and also rose to DM 3.9175 from DM 3.9075; FFr 11.9475 from FFr 11.9425; and Y329 from Y328, but fell to SwFr 3.2125 from SwFr 3.2175.

D-MARK — Trading range against the dollar in 1985 is 3.4510 to 2.7425. August average 2.7936. Exchange rate index 125.3 against 118.3 six months ago.

The D-mark gained ground against the dollar yesterday, with the U.S. currency falling to DM 2.8465 from DM 2.85425 at the Frankfurt close. Earlier in the day the dollar was fixed at DM 2.8441, compared with DM 2.8449 on Tuesday, without intervention by the Bundesbank. Profit taking set in as the dollar rose to a peak of DM 2.8685, pushing it down to a low of DM 2.8330. News that West German industry orders in July rose 4.7 per cent, after a June fall of 2.8 per cent supported the D-mark.

STERLING INDEX

	Sept 4	Prev
8.30 am	81.9	82.1
9.00 am	81.9	81.9
10.00 am	82.1	82.1
11.00 am	82.1	82.1
Noon	82.1	82.1
1.00 pm	82.2	82.1
2.00 pm	82.2	82.1
3.00 pm	82.2	82.0
4.00 pm	82.0	82.0

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu September 4	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	44.8320	45.1303	+0.67	+0.86	±1.5425
Danish Krone	8.12857	8.06894	−0.49	−0.30	±1.6421
German D-mark	2.23840	2.23032	−0.36	−0.17	±1.1455
French Franc	6.86402	6.81071	−0.78	−0.59	±1.3654
Dutch Guilder	2.52208	2.50942	−0.50	−0.31	±1.5162
Irish Punt	0.724578	0.716157	−1.16	−0.97	±1.6673
Italian Lira	1520.60	1491.14	−1.94	−1.94	±4.0856

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

£ IN NEW YORK

	Sept. 4	Prev. close
£ Spot	$1.3745-1.3755	$1.3685-1.3695
1 month	0.43-0.40 pm	0.44-0.43pm
3 month	1.13-1.09 pm	1.12-1.09pm
12 months	2.95-2.85 pm	2.90-2.80pm

Forward premiums and discounts apply to the U.S. dollar

POUND SPOT—FORWARD AGAINST POUND

Sept 4	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.3620-1.3795	1.3735-1.3745	0.43-0.40c pm	3.62	1.15-1.10pm	3.28
Canada	1.8696-1.8879	1.8795-1.8805	0.46-0.36c pm	2.74	1.17-1.02pm	2.33
Nethlnd.	4.38¾-4.40¾	4.39-4.40	2⅛-2c pm	5.80	6⅛-5⅞pm	5.62
Belgium	78.89-79.29	79.15-79.25	20-13c pm	2.50	41-27pm	1.72
Denmark	14.17½-14.21½	14.19½-14.20½	4-2⅝ore pm	2.85	9⅝-7⅛pm	2.39
Ireland	1.2531-1.2571	1.2538-1.2548	0.34-0.19c pm	2.54	0.77-0.48pm	2.01
W. Ger.	3.90-3.92¼	3.91¼-3.92¼	2⅜-2¼pf pm	7.08	6⅝-6⅛pm	6.63
Portugal	230½-235½	231½-234½	65-415c dis	−12.36	415-1450dis	−16.01
Spain	228-229¾	228¾-229¾	5-55c dis	−1.57	50-160dis	−1.83
Italy	2,602½-2,619	2,617½-2,618½	3 pm-2 lire dis	−0.23	4-11dis	−1.15
Norway	11.44½-11.47½	11.44½-11.45½	¼-1ore dis	−0.66	2⅝-3dis	−0.92
France	11.91½-11.96½	11.94½-11.95½	2-1½c pm	1.82	2⅞-2⅜pm	0.92
Sweden	11.51½-11.57	11.55½-11.56½	2½-3⅞ore dis	−3.18	8⅞-9½dis	−3.18
Japan	327¾-330¼	328½-329½	1.50-1.40y pm	5.29	4.20-4.05pm	5.02
Austria	27.43-27.49	27.43-27.47	15⅞-14¼gro pm	6.53	41⅞-38⅛pm	5.86
Switz.	3.20¼-3.23	3.20¾-3.21¾	2⅜-1⅞c pm	7.48	6⅝-5⅛pm	6.70

Belgian rate is for convertible francs. Financial franc 79.90-80.00. Six-month forward dollar 1.91-1.86c pm, 12-month 2.95-2.80c pm.

DOLLAR SPOT — FORWARD AGAINST DOLLAR

Sept 4	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.3620-1.3795	1.3735-1.3745	0.43-0.40c pm	3.62	1.15-1.10pm	3.28
Ireland†	1.0863-1.0983	1.0938-1.0945	0.15-0.05c pm	1.10	0.45-0.25pm	1.28
Canada	1.3670-1.3708	1.3685-1.3690	0.10-0.13c dis	−1.01	0.35-0.40dis	−1.09
Nethlnd.	3.1875-3.2290	3.2095-3.2105	0.62-0.58c pm	2.25	1.85-1.81pm	2.27
Belgium	57.30-58.00	57.60-57.70	5-7c dis	−1.25	20-23dis	−1.49
Denmark	10.28-10.41	10.33-10.33½	¼-¾ore dis	−0.58	½-1½dis	−0.39
W. Ger.	2.8330-2.8685	2.8470-2.8480	0.86-0.81pf pm	3.52	2.51-2.46pm	3.50
Portugal	169⅞-170¾	169½-170½	100-350c dis	−15.88	450-1200dis	−19.41
Spain	166.20-168.15	167.10-167.30	65-120c dis	−6.65	225-325dis	−6.59
Italy	1,894-1,914½	1,904½-1,905½	6-7½ lire dis	−4.27	21½-23dis	−4.69
Norway	8.31-8.40	8.33¼-8.33¾	2½-3½ore dis	−4.32	8½-9dis	−4.20
France	8.65-8.75½	8.70-8.70½	1.20-1.35c dis	−1.76	5.10-5.40dis	−2.42
Sweden	8.38-8.45½	8.41½-8.42½	5-5¾ore dis	−7.32	13½-13½dis	−6.43
Japan	238.60-240.45	239.50-239.60	0.37-0.33y pm	1.76	1.13-1.08pm	1.84
Austria	19.91-20.13¼	20.04-20.07	5½-4⅞gro pm	2.93	14½-12pm	2.65
Switz.	2.3305-2.3555	2.3450-2.3460	0.78-0.70c pm	3.74	2.08-2.00pm	3.47

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 58.15-58.25.

OTHER CURRENCIES

Sept 4	£	$		£ Note Rates
Argentina Austl.	1.0116-1.1038	0.8000-0.8010	Austria	27.30-27.60
Australia Dollar	2.0015-2.0055	1.4545-1.4560	Belgium	79.50-80.50
Brazil Cruzeiro	9,652-9,687	7,010-7,030	Denmark	14.12-14.26
Finland Markka	8.2551-8.2694	5.9970-5.9990	France	11.88-11.99
Greek Drachma	184.35-188.39	135.13-137.96	Germany	3.89-3.93
Hongkong Dollar	10.7290-10.7380	7.8145-7.8165	Italy	2595-2630
Iran Rial	125.00	89.25	Japan	328-332
KuwaitDinar(KD)	0.4175-0.4179	0.30430-0.30440	Netherlands	4.38-4.42
LuxembourgFr	79.15-79.25	57.60-57.70	Norway	11.40-11.51
Malaysia Ringgit	3.4100-3.4145	2.4830-2.4860	Portugal	223-240
NewZealand Dlr.	2.5560-2.5635	1.8570-1.8604	Spain	222-231
Saudi Arab Riyal	5.0102-5.0146	3.6518-3.6523	Sweden	11.48-11.59
Singapore Dollar	3.1040-3.1080	2.2590-2.2680	Switzerland	3.21-3.24
Sth African Rand	—	—	United States	1.35⅛-1.37⅛
U.A.E. Dirham	5.0379-5.0480	3.6720-3.6730	Yugoslavia	430-465

* Selling rate.

CURRENCY MOVEMENTS

Sept. 4	Bank of England Index	Morgan Guaranty Change %
Sterling	82.0	−7.9
U.S. dollar	139.0	+25.5
Canadian dollar	86.1	−7.8
Austrian schilling	116.2	+4.6
Belgian franc	90.7	−10.6
Danish Kroner	79.2	−5.4
Deutsche mark	135.3	+8.3
Swiss franc	147.1	+11.5
Guilder	115.6	+4.5
French franc	67.0	−14.2
Lira	44.4	−20.0
Yen	157.1	+13.5

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

CURRENCY RATES

Sept. 4	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.746557	0.570114
U.S.$	7½	1.02659	0.784192
Canadian $	9.20	*	1.07411
Austria Sch.	4	20.5946	15.6582
Belgian Fr	10	59.0392	45.1303
Danish Kr	7	10.6380	8.06894
D mark	4	2.91972	2.23032
Guilder	5	3.28852	2.50942
French Fr	9½	8.90823	6.81071
Lira	15½	1951.50	1491.14
Yen	5	246.074	187.865
Norway Kr.	8	8.58948	6.53820
Span'h Pta.	—	171.064	130.646
Swedish K.	10½	8.66493	6.58996
Swiss Fr.	4	2.40282	1.83713
Greek Dr'ch	20½	139.570	106.805
Irish Punt	13½	N/A	0.716157

*C$/SDR rate for September 3: 1.40735

EXCHANGE CROSS RATES

Sept. 3	Pound St'ling	U.S. Dollar	Deutschemk.	J'panese Yen	FrenchFranc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.374	3.918	329.0	11.95	3.213	4.395	2618.	1.880	79.20
U.S. Dollar	0.728	1.	2.851	239.4	8.696	2.338	3.199	1905.	1.368	57.64
Deutschemark	0.255	0.351	1.	83.96	3.050	0.820	1.122	668.3	0.480	20.22
Japanese Yen 1,000	3.040	4.176	11.91	1000.	36.31	9.764	13.36	7957.	5.714	240.7
French Franc 10	0.837	1.150	3.279	275.4	10.	2.689	3.679	2191.	1.574	66.29
Swiss Franc	0.311	0.428	1.219	102.4	3.719	1.	1.368	814.9	0.585	24.65
Dutch Guilder	0.228	0.313	0.891	74.86	2.718	0.731	1.	595.7	0.428	18.02
Italian Lira 1,000	0.382	0.525	1.496	125.7	4.564	1.227	1.679	1000.	0.718	30.25
Canadian Dollar	0.532	0.731	2.084	175.0	6.355	1.709	2.338	1393.	1.	42.13
Belgian Franc 100	1.263	1.735	4.946	415.4	15.09	4.056	5.549	3306.	2.374	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Sept. 4	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short-term	11¼-11½	7⅞-8⅛	8⅝-8⅞	5¾-5⅞	3-4½	4⅜-4⅝	9⅝-9¾	10-12	8⅝-8⅞	8¼-8½	6⅜-6½	8¼-8½
7 days' notice	11⅛-11⅜	8-8⅛	8⅝-8⅞	5¾-5⅞	2⅝-2⅞	4⅜-4⅝	9⅝-9¾	12½-13½	8⅞-9⅛	8½-8¾	6⅛-6⅜	9-9½
Month	11⅜-11⅝	8⅛-8⅜	8¾-9	5¾-5⅞	4⅛-4⅜	4⅜-4⅝	9¾-9⅞	12¾-13¼	9⅛-9⅜	9-9¼	6⅛-6⅜	8¾-9¼
Three months	11⅝-11⅝	8⅛-8⅜	9-9¼	5¾-5⅞	4⅜-4⅝	4⅝-4¾	10⅛-10⅜	12⅝-13⅛	9⅝-9⅞	9¼-9½	6⅜-6⅝	8¾-9¼
Six months	11¼-11⅜	8⅜-8⅝	9⅜-9⅝	5¾-5⅞	4¼-4⅜	4⅝-4¾	11¼-11⅜	13-13¾	9⅞-10⅛	9½-9¾	6⅜-6⅝	8¾-9¼
One year	11⅛-11⅜	8⅝-8¾	9¾-10	5¾-5⅞	4⅜-4⅝	4¾-4⅞	11⅝-11⅞	13⅝-14⅛	10-10¼	9⅝-9⅞	6⅜-6⅝	9-9½

Asian $ (closing rates in Singapore): Short-term 8-8⅛ per cent; seven days 8-8⅛ per cent; one month 8¹/₁₆-8³/₁₆ per cent; three months 8⁵/₁₆-8⁷/₁₆ per cent; six months 8⅜-8½ per cent; one year 8⅝-8¾ per cent. Long-term Eurodollars: two years 9½-9⅝ per cent; three years 10-10⅛ per cent; four years 10¼-10½ per cent; five years 10½-10⅝ per cent nominal. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

MONEY MARKETS

UK rates slightly easier

Interest rates were slightly easier in London yesterday. Short term money was quite easy to obtain and most discount houses had squared off their books quite early on. Despite a revised shortage of £100m, overnight money finished at 10 per cent, having touched a low of 8-9 per cent. There was some speculation as to how a possible shortage today would be resolved if the shortage lay with outside the houses. Yesterday's three-month interbank finished at 11½-11⅝ per cent, compared with 11⁹/₁₆-11¹¹/₁₆ per cent while three-month eligible bank bills were bid at 11¹/₃₂ per cent, unchanged from Tuesday.

UK clearing banks base lending rate 11½ per cent since July 30

The Bank of England forecast a shortage of around £50m with factors affecting the market including maturing assistance and a take up of Treasury bills together draining £167m and a rise in the note circulation of £75m. These were partly offset by Exchequer transactions which added £165m and banks' balances brought forward £15m above target. The Bank did not intervene in the morning and in the afternoon the Bank revised the shortage to £100m but again did not intervene.

In Frankfurt call money was quote a little easier at 4.6-4.7 per cent compared with 4.7-4.8 per cent on Tuesday. Rates were softer as end of month pressures unwound. Overnight money had recently touched 5.5 per cent, the same as the Lombard rate. Despite the lower trend, expectations point towards a fairly difficult month ahead and banks are anxiously awaiting some move by the authorities to replace some DM 4.3bn of repurchase agreements due to expire next Wednesday.

MONEY RATES

Sept. 4	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	4.6-4.7	9⅞	1½-2	5¾-6⅛	6.53125	14½-14⅞	6.70	11¼-11⅝
One Month	4.60-4.75	9⅝-9¾	4⅛-4⅝	5¾-6⅛	6.46875	13¾-14⅛	9-9¼	10⅝-10⅞
Two Months	4.60-4.75	9⅝-9¾	—	—	—	—	—	10½-10¾
Three Months	4.60-4.75	9¾-9⅞	4⅛-4⅜	5¾-5⅞	6.34375	13⅞-14¼	9⅜-9⅝	10⅜-10⅝
Six Months	4.60-4.75	9¾-9⅞	—	5⅝-5¾	—	—	9⅜-9⅝	10¼-10½
Lombard	5.5	—	—	—	—	—	—	—
Intervention	—	9⅝	—	—	—	—	—	—

LONDON MONEY RATES — Discount Houses Deposit and Bill Rates

Sept. 4 1985	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	8-11¼	[illegible]	[illegible]	8-10¼	—	—	—	—	—
2 days notice	—	—	[illegible]	—	—	—	—	—	—	—
7 days or...	—	—	—	—	—	—	—	—	—	—
7 days notice	—	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—
One month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	11⅛	11⅛	11¹/₃₂-11⅛	11¹/₁₆-11³/₃₂	12¹/₃₂
Two months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	11¼	11¹/₃₂	11¼	11⅛-11³/₃₂	11⅞
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	11	10¹⁵/₁₆	11¹/₃₂	11¹/₃₂	11⁹/₁₆
Six months	[illegible]	[illegible]	[illegible]	—	—	—	—	10½-10⁹/₁₆	10⁷/₁₆-10½	11⁵/₁₆
Nine months	[illegible]	[illegible]	—	—	—	—	—	—	—	—
One year	[illegible]	[illegible]	[illegible]	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	[illegible]	—	[illegible]	[illegible]	[illegible]	8¼-8⅝
Two months	[illegible]	—	[illegible]	[illegible]	[illegible]	8¼-8⅝
Three months	[illegible]	—	[illegible]	[illegible]	[illegible]	8⁵/₁₆-8⁹/₁₆
Six months	[illegible]	—	[illegible]	[illegible]	[illegible]	8⁹/₁₆-8¹¹/₁₆
Nine months	[illegible]	—	[illegible]	[illegible]	—	—
One year	[illegible]	—	[illegible]	[illegible]	[illegible]	8⅞-9
Two years	—	10⅞	—	—	—	—
Three years	—	[illegible]	—	—	—	—
Four years	—	[illegible]	—	—	—	—
Five years	—	[illegible]	—	—	—	—

ECGD Fixed Finance IV: Average rate of interest period August 7 to September 3 (inclusive): 11.574 per cent. Local authority and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 12 per cent from September 1, 1985. London and Scottish Clearing Bank Rates for lending 11½ per cent. Bank Deposit Rates for sums at seven days' notice 6.25-6.625 per cent (net). Treasury Bills: Average tender rates of discount 11.0000 per cent. Certificates of Tax Deposits (Series 6): Deposits £100,000 and over held under one month 11¼ per cent; one-three months 11¼ per cent; three-six months 11¼ per cent; six-nine months 11¼ per cent; nine-12 months 11¼ per cent. Under £100,000 10½ per cent from August 3. Deposits held under Series 5 11 per cent. The rate for all deposits withdrawn for cash 7½ per cent.

FT LONDON INTERBANK FIXING

(11.00 a.m. Sept. 4)

3 months U.S. dollars	
bid 8 1/8	offer 8 1/4

6 months U.S. dollars	
bid 8 1/4	offer 8 3/8

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	9½
Broker loan rate	9
Fed funds	7¹³/₁₆
Fed funds at intervention	—

Treasury Bills

One month	6.79
Two month	6.88
Three month	7.26
Six month	7.57
One year	7.92

Treasury Bonds

Two year	8.82
Three year	9.22
Four year	9.48
Five year	9.67
Seven year	10.04
10 year	10.14
30 year	10.39

FINANCIAL FUTURES

Eurodollars firm

Eurodollar prices were firmer in the London International Financial Futures Exchange yesterday. However, values were marked down from the day's highs as selling developed after the start of trading in Chicago. The market was concerned principally by a request by the Federal farm credit system for Federal support. The credit system currently runs a loan portfolio of around $74bn.

This prompted investors to take profits and prompted the usual flight to quality. Initial trading in London saw Eurodollar prices holding their own and very early U.S. participation reflected small buying. The position was reversed soon after however, although values in London still finished some way up from Tuesday's closing levels.

The market now awaits today's U.S. money supply figures and tomorrow's announcement on U.S. unemployment.

Sterling based instruments were firmer, reflecting a slightly softer cash market and sterling's steady to firm trend.

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
Sept	77-23	78-02	77-19	77-12
Dec	76-21	76-31	76-16	76-10
March	75-19	75-31	75-17	75-10
June	74-21	74-29	74-19	74-12
Sept	73-25	74-00	73-23	73-16
Dec	72-30	73-05	72-30	72-22
March	72-06	72-13	72-06	71-30
June	71-17	71-23	71-17	71-08

U.S. TREASURY BILLS (IMM) $1m points of 100%

CERT. DEPOSIT (IMM) $1m points of 100%

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

STERLING (IMM) Se per £

GNMA (CBT) 8% $100,000 32nds of 100%

LONDON

THREE-MONTH STERLING £500,000 points of 100%

	Close	High	Low	Prev
Sept	88.37	88.43	88.36	88.28
Dec	89.34	89.39	89.28	89.26
March	89.63	89.67	89.61	89.58
June	89.54	89.61	89.55	89.50
Sept	89.58	89.65	89.58	—
Dec	89.57	89.67	89.67	—

Estimated volume 1,498 (1,454)

Previous day's open int 7,151 (7,157)

20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100%

THREE-MONTH EURODOLLAR $1m points of 100%

DEUTSCHE MARKS DM 125,000 $ per DM

SWISS FRANCS SwFr 125,000 $ per SwFr

JAPANESE YEN Y12.5m $ per Y100

FT-SE 100 INDEX £25 per full index point

U.S. TREASURY BONDS 8% $100,000 32nds of 100%

LIFFE OPTIONS REPORT

Sterling Currency—£25,000 c per £. Sterling weaker on oil rumours from the East and dollar saw profit taking. Option volume good.

Est volume Calls	Est volume Puts	Previous day's open interest Calls	Previous day's open interest Puts
1419	148	10761	8962

Eurodollar Future—points of 100%. No fresh USA economic data, unemployment data and M1 money supply due later—volumes average.

Est volume Calls	Est volume Puts	Previous day's open interest Calls	Previous day's open interest Puts
47	71	1817	1340

For full details of settlement prices call:

Louisa Powell of LIFFE on 01-623 0444

LIFFE, ROYAL EXCHANGE, LONDON EC3V 3PJ

LONDON SHARE SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1985 High	1985 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
101[illegible]	99[illegible]	Exch. 12¼pc 1985	100	....	12.25	11.60
101[illegible]	99[illegible]	Exch. 11½pc '86	100[illegible]	+[illegible]	11.71	10.99
99[illegible]	97[illegible]	Treas. 10pcCnv 1986	99[illegible]	+[illegible]	10.07	11.19
95[illegible]	92¼	Treas 3pc 1986	95[illegible]	+[illegible]	3.13	9.26
100	97½	Exch. 10½pc Cv '86	99[illegible]	+[illegible]	10.53	10.91
101[illegible]	99[illegible]	Treas 12pc 1986	100[illegible]	+[illegible]	11.90	10.76
98[illegible]	94¾	Treas 8¼pc 1984-86‡‡	98[illegible]	....	8.64	10.49
105[illegible]	102[illegible]	Exch. 14pc 1986	103[illegible]	+[illegible]	13.53	10.68
94[illegible]	87¾	Exch. 2½pc 1986	94[illegible]	....	2.65	7.47
104[illegible]	101[illegible]	Exch. 13¼pc 1987	103[illegible]	+[illegible]	12.83	10.57
99[illegible]	96[illegible]	Treas 10¼pcCv '87	99[illegible]	+[illegible]	10.28	10.48
92[illegible]	85[illegible]	Exch 2½pc 1987	92[illegible]	+[illegible]	2.69	7.70
100	96[illegible]	Exch. 10½pc 1987	100xd	+[illegible]	10.50	10.55
94[illegible]	89	Funding 6½pc '85-87‡‡	94[illegible]	....	6.89	10.30
99[illegible]	95½	Treas. 10pc 1987	99	+[illegible]	10.10	10.59
90[illegible]	84[illegible]	Treas 3pc 1987	90[illegible]	+[illegible]	3.30	8.40
102[illegible]	99[illegible]	Treas. 12pc 1987	102[illegible]	+[illegible]	11.72	10.71
95	90[illegible]	Treas 7¾pc 1985-88‡‡	94[illegible]	....	8.17	10.22
99[illegible]	95[illegible]	Exch 10½pc '88	99[illegible]	+[illegible]	10.53	10.61
97[illegible]	93½	Treas 9¾pc Cv '88	97[illegible]	+[illegible]	9.96	10.66
86[illegible]	80	Transport 3pc '78-88	86[illegible]	....	3.48	8.67
96[illegible]	91½	Treas. 9½pc '88	96[illegible]	+[illegible]	9.81	10.72
102[illegible]	97[illegible]	Treas 11½pc 1989	102[illegible]	+[illegible]	11.21	10.57
96[illegible]	90[illegible]	Treas 9½pc Cnv. '89	96[illegible]	+[illegible]	9.84	10.68
82[illegible]	79	Treas 3pc 1989	82[illegible]	....	3.63	8.61
99[illegible]	94	Treas 10½pc 1989	99[illegible]	+[illegible]	10.53	10.58
98[illegible]	92	Exch.10pc 1989	98	+[illegible]	10.20	10.63
101[illegible]	95	Exch 11pc 1989	101[illegible]xd	+[illegible]	10.87	10.64
85[illegible]	79	Treas 5pc 1986-89	85½	+[illegible]	5.85	9.32
108[illegible]	103[illegible]	Treas 13pc 1990‡‡	108[illegible]	+[illegible]	11.98	10.50
101[illegible]	96[illegible]	Exch 11pc 1990‡‡	101[illegible]	+[illegible]	10.84	10.56
108[illegible]	100[illegible]	Exch. 12½pc 1990	106[illegible]xd	+[illegible]	11.71	10.63
77[illegible]	75[illegible]	Treas. 3pc 1990●	77[illegible]	+[illegible]	3.85	8.93
93	87[illegible]	Treas 8¼pc 1987-90‡‡	92[illegible]	....	8.94	10.31

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

INT. BANK AND O'SEAS GOVT STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS

Building Societies

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

AMERICANS—Cont.

CANADIANS

BANKS, HP & LEASING

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BUILDING, TIMBER, ROADS

BUILDING, TIMBER, ROADS—Cont.

CHEMICALS, PLASTICS

DRAPERY AND STORES

DRAPERY & STORES—Cont.

ELECTRICALS

ENGINEERING

ENGINEERING—Continued

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

1985 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
48	28	Manners Hldgs 10p	40					♦
390	202	Man Ship Can £1	367		5.5	3.5	2.1	19.3
104	70	Marley	84xd		3.75	2.2	6.4	10.2
107	52	Marling Ind 10p	102	+1	d1.5	5.1	2.1	13.0
74	36	Marshall Lxy 'A'	74		2.4	4.9	4.6	5.3
77	57	Marshall Universal	58	+1	2.0	1.4	4.9	18.4
86	78	Do 7½pcCnRedPf £1	82		7½%		13.1	
		For Martin-Black see Dean Park Hotels in Recent Equities						
£99	£81	Matheson 7¼%	£99		Q7¼%	2.3	17.9	−
35	24	Maxprint 1p	25	+1	—	—		
510	375	Metal Box £1	508	+3	17.25	3.1	4.9	7.6
170	117	Metal Closures	117	−3	6.7	2.0	8.3	7.2
17	3	Metal Sciences 2½p	7		—		—	—
104	73	Midland Marts	92	−3	4.0	2.1	6.2	11.0
83½	55½	Mitchell Cotts	57		4.0	1.5	10.0	8.2
230	182	Morgan Crucible	195		8.0	1.6	5.9	13.5
32½	22	Morris (W.F.) A 20p	29	+½	g0.5	♦	2.5	♦
113	91	Moss (Robt.) 10p	113		3.0	2.5	3.8	12.5
81	68	Mysan Grp 10p	68	−½	q2.5	3.4	5.3	12.9
328	214	NMW Computers	265		h4.8	2.7	2.6	20.4
43	28	Nash Inds	30		‡2.5	1.5	‡	6.9
48	17	Neil & Spencer 10p	17		♦	—	—	5.1
49	14½	Newman Inds 10p	33		—	—	—	15.6
41	26	Nolton	35		t1.17	4.5	4.8	6.8
189	146	Norcros	184	−1	8.6	2.2	6.7	9.2
67	50	Nu-Swift 5p	50		3.0	1.6	8.6	9.6
111	68	Oakwood Grp	95		h4.5	1.4	6.8	14.0
250	150	Office & Elect	250	+5	7.5	2.4	4.3	13.7
108	75	Oldacre 20p	77		4.0	2.6	7.4	6.8
58	37	Optometrics 90.01	54	+1	sdQ2c	—	2.9	—
495	312½	Oriflame £1	450		23.4	1.8	5.2	10.7
18	10	Overstone 12½p	10		03.23c	1.9	9.6	5.5
£190	£158	Ozalid 9pc Cnv 87-92	£188	+3	Q9%	—	4.8	—
185	105	PCT Grp 10p	135		3.2	2.2	5.0	16.3
£14	850	PLM 'B' Sk 25	908		Q21.6%	5.0	5.1	39.0
193	142	PSM Intl	164	+6	gd5.25	2.5	4.6	11.2
68	50	Pacific Sales 10p	68	+3	3.0	♦	6.5	♦
204	165	Parker Knoll 'A'	184		9.0	2.8	7.0	7.2
157	45	Parkfield Group 5p	148xd	−6	2.4	♦	2.3	♦
80	37	Pavion Intl	66	+3	—	—	—	—
£190	£101	Do 11pc CnLn '94-02	£130	+5	Q11%	—	17.3	—
378	287½	Pearson	358	+5	h8.5	3.1	3.4	12.4
29	18	Peek Holdings	23		—	—	—	—
94	71	Peerless	84		6.3	1.4	10.7	8.5
362	99	Pentland 10p	300xd	−5	b0.87	20.4	0.4	13.5
[illegible]								

INSURANCES

[illegible]

LEISURE

[illegible]

LEISURE—Continued

1985 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
52	7	Elmerton Prod 5p	36					
78	50	Fairline Boat 10p	74					
326	228	First Leisure £1	325					
69	51	GRA Group 5p	57					
32	25	Grampian TV A 10p	28					
153	117	HTV Non Vtg	153					
148	95	Horizon	107xd					
184	90	Insight	142					
138	102	Intasun 10p	138					
232	170	Julianas Hldgs 2p	170					
300	217	LWT	285					
30	25	Leisure Inv 10p	30					
65	55	Leisuretime Int 10p	56					
		For Ringent Av M see C...						
183	153	Media Tech Int 20p	183					
200	124	Medminster 10p	198					
280	175	Miss World 10p	210xd					
127½	70	Nationwide Leisure	83					
39	15	Norsk Int 20c	17½					
24¼	19½	Owners Abroad	24½					
53	38	Photax (Lon) 1	40					
24½	20	P'dilly Radio NV 5p	22					
90	30	Pineapple Dnc St 10p	40					
273	183	Pleasurama 5p	268xd					
140	109	Do 7pcCvCnvRedPf	139					
96	77½	Pres Entertain 50p	92½					
65	27	Radio City 'A' NV	27					
55	42	Radio Clyde N/V	45					
63	34	Riley Leisure 10p	36					
193	143	Saga Hols. 20p	185					
300	108	Samuelson Grp 20p	280					
42	25	Sangers Photo 10p	30					
202	138	Scantro 50p	167					
156	128	Scott TV 'A' 10p	152					
508	319	SeaCo Inc $0 125	327					
15	7	Select TV 10p	8½					
140	10	Spectrum 5p	13					
32	23	TSW 5p	28					
147	108	TVS N/Vtg 10p	145					
235	132	Television Svcs 50p	207					
79	65	Tottenham Hotspur	69					
160	71½	21st Century Dist	72					
165	93	Tyne Tees TV 'A' £1	112					
110	84	Ulster TV N/V 'A'	110					
125	67	Viewplan 5p	85					
[illegible]								

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING, ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc

[illegible]

FINANCE, LAND—Cont.

[illegible]

OIL AND GAS

[illegible]

OVERSEAS TRADERS

[illegible]

PLANTATIONS

Rubbers, Palm Oil

[illegible]

Teas

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

MINES—Continued

O.F.S.

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

Finance

[illegible]

Australians

[illegible]

Tins

[illegible]

Miscellaneous

[illegible]

NOTES

[illegible]

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

[illegible]

"Recent Issues" and "Rights" Page 38 (International Edition Page 30)

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £800 per annum for each security.

LONDON STOCK EXCHANGE

MARKET REPORT

Trading statements from P&O and BICC enliven an otherwise drab day in the leaders

Account Dealing Dates

*First Dealings	Option Declarations	Last Dealings	Account Day
July 29	Aug 8	Aug 9	Aug 19
Aug 12	Aug 29	Aug 30	Sept 9
Sept 2	Sept 12	Sept 13	Sept 23

* " New-time " dealings may take place from 9.30 am two business days earlier.

Trading statements from market leaders P & O and BICC were well received and helped enliven blue chip industrials which otherwise showed distinct signs of flagging yesterday. Continued takeover speculation in Allied Lyons following reports that Elders IXL had built up a 4.9 per cent stake in the company also aroused a considerable amount of interest.

P & O Deferred responded to the announcement of good interim figures with a rise of 23 to 421p, while better-than-expected half-year results left BICC up 17 at 220p, after the previous day's reaction on nervous selling. Allied Lyons closed 15 to the good at 267p.

In contrast, international stocks met with light selling as sterling staged a recovery yesterday. Most other leading shares also gave ground, although the Electrical majors traded on a steadier note, helped by the favourable reception given to BICC's figures.

A gradual deterioration in the tone was reflected in the Financial Times Ordinary share index which recorded a rise of 4.9 at the 11 am calculation before drifting back to settle slightly lower on balance with a fall of 1.4 at 1006.4.

Company news and speculative activity was also responsible for most of the noteworthy movements in second line stocks. Oil shares continued to drift lower despite a denial that Saudi Arabia has been selling crude oil at below the official OPEC price.

The recovery movement in sterling coupled with favourable Liffe market influences enabled Gilt-edged stocks to arrest the recent gradual downward drift. Conditions in this sector remained quiet, but quotations at the long end of the market were quick to respond in thin trading and closed with gains extending to ½. Short-dated stocks recorded rises of ⅛ and occasionally more.

GRE flat

GRE and Sun Alliance brought the Composite Insurance dividend season to an extremely disappointing close. News of GRE's meagre profit of £0.8m at the half-way stage shocked dealers who had been hoping for earnings of £30m or more and the shares immediately fell away to close the session 45 down on balance at 685p. Sun Alliance, too, caused displeasure, reporting a £15m first-half deficit against market estimates of an £8m profit; the shares dropped 22 to 475p. Other Composites gave ground in sympathy with General Accident closing 8 down at 620p, after 618p, and Royals 7 off at 650p, after 648p. Speculative favourite Commercial Union, however, proved resilient and recovered from an initial dull level of 215p to finish unchanged on the day at 221p. Life issues took a distinct turn for the worse late and featured Legal and General 27 cheaper at 700p.

Excitement in the drinks sector continued to centre on Allied-Lyons; up to a new peak of 270p in initial trading, the shares finally settled 15 higher on the day at 267p, a gain of 37 so far this week, amid reports that Australian concern Elders IXL holds a discloseable stake.

Business in the Building sector expanded from recent low levels, but the trend was lower. Costain encountered selling ahead of next Wednesday's half-timer and shed 4 to 460p, while Barratt Developments, an improving market of late on recovery prospects, gave up the same amount to 94p. Elsewhere, Cement Roadstone revealed interim profits at the lower end of market estimates and the price fell 4½ to 76½. Wilson (Connolly's) half-year figures were regarded as disappointing in some quarters, but the shares, after easing to 246p, picked up to close a net 6 up at 254p. Alfred McAlpine continued to reflect the South African disposal with a fresh rise of 6 to 282p.

ICI slipped to 764p on currency influences before occasional buying at the lower level left the close just 4 cheaper on balance at 677p. Among other Chemicals, Reabrook firmed 4 to 62p in reply to near-doubled interim profits.

Leading Stores lacked a decided trend. Woolworth, scheduled to reveal interim figures on September 18, firmed 5 to 493p, after 495p. A chart "buy" signal stimulated fresh support of Sears, finally 4 up at 106p, while Combined English, due to announce first-half results later this month, continued to impress and touched 159p before settling 4 up on balance at 157p. *USM-quoted* William Bedford made fresh progress in a relatively narrow market and improved 5 for a three-day advance of 23 at 180p; the interim results are due next Tuesday.

Memcom down again

Memcom remained a depressed counter among secondary Electricals following the chairman's warning at the annual meeting of a significant first-half loss, falling 25 more for a two-day relapse of 117 to a 1985 low of 85p. CASE came on offer at 150p, down 22, but United Scientific responded to a chart "buy" signal with a rise of 12 at 197p. Rotaflex moved up 13 to 178p on speculative buying. BICC's satisfactory figures helped the leaders regain some composure but the closing tone was still easier for choice. British Telecom cheapened 3 to 201p following the annual meeting while Cable and Wireless gave up 15 at 565p.

Favourable reports from a broker's meeting with the company attracted buyers to Triplex Foundries which closed 7 to the good at 65p, after 66p. Elsewhere in Engineerings, Wheway Watson advanced 3 to 19½p on news of the acquisition of Arthur Edge & Co. from McLeod Russel, while Ransomes Sims and Jefferies gained 15 to 133p on asset considerations. Desoutter Bros. continued to meet with speculative support and rose 8 afresh to 198p, while gains of around 3 were seen in Blackwood Hodge, at 39p, and Howden, at 84p. Vosper, on the other hand, lost 11 more for a two-day decline of 21 to 187p on the disappointing interim results.

Among Foods, Cadbury Schweppes encountered nervous offerings in front of today's interim results and shed 7 to 144p, while recently-firm Rowntree Mackintosh gave up the same amount to 403p on profit-taking. S & W Berisford, in contrast, attracted fresh support on revived rumours that it may have sold its substantial stake in Ranks Hovis McDougall and firmed 4 more to 189p; RHM closed 2 dearer at 154p. Among Retailers, Bejam shed 7 to 185p

J. H. Fenner, after Tuesday's late spurt to 145p on the announcement that Hawker Siddeley is selling its 25.3 per cent stake in the company to Emerson Electric of the U.S., reacted sharply to close 17 down at 128p on Emerson's revelation that it is acquiring the shareholding purely as an investment. Elsewhere in miscellaneous industrials, BTR cheapened 4 more to 351p on fears that a sizeable rights issue could accompany the interim results next Wednesday. Beecham came on offer at 333p. Rank Organisation were also sold down to 398p, a fall of 10 on the day, but Metal Box continued to reflect recent comment with a fresh improvement of 5 at 510p. Demand ahead of next Wednesday's results left Associated British Ports 11 higher at 308p, while the appearance of a large buyer helped AAH jump 12 to 150p. Pleasing interim results prompted gains of 4 and 8 respectively in Ropner, 152p, and Astbury and Madeley, 130p. F. H. Tomkins moved up 8 to 221p on the announcement that the John Govett Investment Group holds a 16.6 per cent stake in the company. Bestwood jumped 27 in a restricted market to 335p on cash injection hopes and R. K. Watson revived with a rise of 11 at 120p. British Aerospace added 8 at 378p and *Huntleigh* firmed 10 to 235p.

Dealings in Midsummer Inns were suspended at 265p at the company's request pending the outcome of negotiations to buy brewery concern George Bateman and Sons. Owners Abroad firmed a penny to 24½p on news of the purchase of a Spanish holiday complex.

Lucas, a rising market in recent days on U.S. stake-building rumours, encountered profit-taking and came back 12 to 331p.

Haynes Publishing attracted further buying interest ahead of the annual result due next Wednesday and rose 30 more to 380p, while Saatchi and Saatchi revived strongly with a gain of 20 to 675p.

The Shipping sector displayed one of the day's brightest features in P&O Deferred which touched 430p prior to closing a net 23 up at 421p after revealing interim profits well in excess of market estimates.

Currency influences and worries about the group's insurance interests combined to depress Bats which fell 8 to 320p; the interim results are due next Tuesday.

Courtaulds attracted domestic and U.S. support on re-rating suggestions and rose 5 to 145p.

A denial by the major oil companies that Saudi Arabia had changed its oil marketing policy, reports of which depressed the sector on Tuesday, failed to relieve the pressure on the oil majors which gave further ground before staging a minor rally late on the appearance of American buyers. British Petroleum, however, settled only a penny cheaper at 570p, but Shell lost 5 at 718p, while Ultramar gave up 4 to 221p. Lasmo, unsettled by cautious press comment on the interim results, dipped to 265p prior to closing 5 cheaper on balance at 273p. Britoil ended 2 off at 223p, after 218p, while the partly-paid new shares finished 4 lower at 138p, after 135p. The sector's only bright feature was provided by Charterhouse Petroleum which attracted speculative support and rose 12 to 101p on hopes that the group may attract another bidder.

Late rally in Golds

South African Golds and related issues, subdued since the resumption of trading in Johannesburg on Monday following the Government-imposed three-day suspension, attracted a much better business yesterday.

Overnight news that the all-black National Union of Mineworkers had suspended its strike action pending the outcome of an application to the industrial court, the result of which is expected tomorrow, stimulated U.S. support of Golds and consequently dollar prices in London opened on a brighter note. A bout of profit taking from the Cape dampened sentiment around mid-morning but this proved to be short-lived as the heavyweights resumed their upward progress, the rally being enhanced by the closing of professional bear positions. Quotations in sterling terms, however, suffered from the weaker dollar and the FT Gold Mines index closed 1.3 off at 289.9.

The Rand again steadied from initial weakness with the aid of Reserve Bank support, but bullion continued to decline, again reflecting the apparent end of the miners' strike, and closed $3.75 lower at $324.75 an oz.

South African Financials were mixed. Anglo American advanced 15 more to 825p, while "Johnnies" added a couple of points at £51. "Amgold," on the other hand, dipped ½ to £50½. London-domiciled issues attracted occasional interest and RTZ rose 4 to 597p, while Consolidated Gold Fields, regarded as "oversold" in a recent review by brokers de Zoete and Bevan, put on 3 to 406p. East Rand Consolidated closed 4 higher at 39p.

A much improved and evenly-balanced business in Traded Options resulted in 11,362 contracts struck—the highest total for over a month. Substantial hedging operations were in evidence with the FTSE 100 index contract accounting for 267 calls and 1,240 puts. Activity elsewhere centred on Courtaulds which attracted 1,946 calls and 1,650 puts, 1,365 of the latter being done in the October 140s.

FINANCIAL TIMES STOCK INDICES

	Sept. 4	Sept. 3	Sept. 2	Aug. 30	Aug. 29	Aug. 28	year ago
Government Secs	83.60	83.59	83.37	83.54	83.62	83.58	78.89
Fixed Interest	88.44	88.39	88.57	88.57	88.60	88.60	82.58
Ordinary ♥	1006.4	1007.8	1013.5	1013.9	1003.9	991.3	839.9
Gold Mines	289.9	291.2	291.7	290.7	280.1	290.4	527.3
Ord. Div. Yield	4.66	4.67	4.64	4.61	4.67	4.75	4.89
Earnings, Yld. %(full)	11.50	11.49	11.42	11.42	11.56	11.75	11.46
P/E Ratio (net) (*)	10.77	10.79	10.85	10.85	10.71	10.54	10.50
Total bargains (Est.)	22,163	23,682	21,878	24,037	21,382	20546	18,832
Equity turnover £m.	—	392.73	356.80	476.93	456.96	300.64	190.54
Equity bargains	—	22,281	25,064	25,858	23,982	17,346	12,729
Shares traded (ml)	—	194.7	165.2	231.5	213.6	151.4	103.8

♥10 am 1010.8. 11 am 1012.7. Noon 1011.7. 1 pm 1009.2. 2 pm 1008.7. 3 pm 1007.6. 4 pm 1008.7.

Day's High 1013.2. Day's Low 1005.9.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ordinary 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-246 8026.

* Nil=10.38

HIGHS AND LOWS

—	1985 High	1985 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.87 (30/7)	78.09 (28/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	88.81 (23/8)	82.17 (29/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ordinary	1024.5 (22/1)	911.0 (25/7)	1024.5 (22/1/85)	49.4 (26/6/40)
Gold Mines	536.9 (15/4)	280.1 (29/8)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY INDICES

	Sept. 3	Sept. 2
Daily		
Gilt Edged Bargains	124.1	136.4
Equities Bargains	144.4	162.4
Value	793.8	719.2
5 day Average		
Gilt Edged Bargains	123.1	121.7
Equities Bargains	148.4	143.3
Value	802.1	742.7

NEW HIGHS AND LOWS FOR 1985

NEW HIGHS (88)

BRITISH FUNDS (17)

BREWERS (4)

Bell (Arthur)
Allied Lyons
Do. 8½pc Cnv. Uns. Ln. 1999-01
Scottish Newcastle

BUILDINGS (3)

Baggeridge Brick
Wilson (Connolly)
Helical Bar.

CHEMICALS (2)

Allda
Morceau

STORES (9)

Dixons Group
Sears
Grattan
Superdrug Stores
Habitat Mothercare
Woolworth
Ramar Textiles
Do. 8½pc Cnv. Uns. Ln. 2000
S & U Stores

ELECTRICALS (1)

Newmark (Louis)

ENGINEERING (5)

BM
Telfos
Blackwood Hodge
Triplex
Desoutter Bros.

FOODS (5)

Berisford (S. & W.)
Park Food
Greggs
Somportex
Morrison (Wm.)

INDUSTRIALS (18)

Assoc. Brit. Eng.
Huntleigh Tech.
9pc Cum. Cnv. Red. Prf.
Lawtex
Metal Box
Assoc. Brit. Ports
Pacific Sales
Astbury & Madeley
Sale Tilney
Bestwood
Scot. Heritable Trust
Booker McConnell
Tomkins (F. H.)
British Syphon
Trafalgar House
Cope Allman
WSL
Grampian Hldgs.
Watson (R. Kelvin)

MOTORS (2)

Kwik-Fit
Perry

NEWSPAPERS (1)

Haynes Publishing

PAPER (1)

Cropper (James)

PROPERTY (5)

CALA
London Shop Prop.
Daejan
9pc Cnv. Uns Ln. 1994-99
Land Investors
Rush & Tompkins

SHIPPING (1)

P & O Defd.

TEXTILES (1)

Don Bros. Buist

TRUSTS (13)

City & Com'l Inc.
Scottish Inv.
Drayton Premier
Scottish Inv.
Fleming Claverhouse
Triplevest Inc.
Fleming Enterprise
Frost (J. J. & D.)
Jove Inv. Inc.
Lon. Merchant 7¼pc Cnv. Uns. Ln. 2000-05
M. & G. Dual Cap.
Do. 2nd Dual Inc.
Moorgate Inv. Trust
Majedie Invs.

NEW LOWS (38)

AMERICANS (4)

Amer. Express
Business Computer
AridTech
Corporate Data Sci.

CHEMICALS (2)

Engelhard
Leigh Interests

ELECTRICALS (5)

CASE
TDS Circuits
CPS Computer
Toshiba
Memcom Intl.

FOODS (2)

Bio-Isolates
Nichols (J. N.) Vimto

INDUSTRIALS (4)

Elkem AS
Fergebrook
Falcon Inds.
Metal Closures

LEISURE (1)

Radio City A NV

PAPER (1)

Craton Lodge

TEXTILES (1)

Munton Bros.

TRUSTS (6)

Alva Inv.
Fledgeling Japan
Baillie Gifford Jap.
GT Japan
CJR Pac. Inv. Tst.
Martin Currie Pacific

OILS (1)

Bridge Oil

PLANTATIONS (1)

Bertam

MINES (10)

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1985 High	1985 Low	Stock	Closing price	+ or −	Net Div.	Times covered	Gross Yield	P.E. Ratio
§69	F.P.	9/8	68	58	✣ATA Selection 5p	63	+1	bg1.5	2.6	3.4	17.1
160	F.P.	2/8	260	223	Abbey Life 5p	245	−1	b6.5	—	3.9	—
67	F.P.	6/9	88	69	✣Aberd'n Steak H. 5p	85	+1	ug2.2	2.0	3.7	18.2
¶¶	F.P.	—	£20½	£19	Alex. & Alex. c. $1	£20⅛	−⅛	—	—	—	—
§34	F.P.	20/9	41	35	Anglo Utd. Dev.	41	.....	bd1.85	2.1	3.6	18.9
§138	F.P.	2/8	140	130	✣Appletree 10p	133	+3	b2.6	3.3	2.7	16.1
50	F.P.	12/8	50	44	Baillie G'f'd Shin Npn.	44	.....	—	—	—	—
—	F.P.	10/9	18	13	Do. Warrants	18	.....	—	—	—	—
—	F.P.	—	7	6	Bardsey Pfd. Ord.	7	+½	—	—	—	—
170	F.P.	22/8	203	195	Bradstock 5p	203	.....	bg5.25	2.4	3.7	15.2
375	200	10/9	255	128	British Aerospace 50p	198	+8	15.65	3.1	5.2	6.9
185	100	1/10	146	117	Britoil 10p	138	−4	t15.0	3.0	8.3	6.4
‖	F.P.	—	145	140	Business Mort. Tst.	143	+3	u1.51	3.9	1.5	24.3
§80	F.P.	27/9	90	77	✣CCA Galleries 10p	90	+1	bg2.45	2.8	3.7	13.6
‖	F.P.	30/8	100	90	✣CobraEmer'ldMines	90	.....	—	—	—	—
§70	F.P.	20/9	75	69	Conrad Hldgs.	69	.....	bg3.5	2.2	7.2	9.1
§115	F.P.	6/9	128	118	ControlTechniques 10p	120	.....	bg2.7	2.7	3.2	14.6
§51	F.P.	—	52	48	✣Dean Park Hotels	48	.....	—	—	—	—
160	F.P.	26/7	150	95	First Security 10p	130	.....	u3.5	2.9	3.8	12.8
Ir.97	F.P.	26/7	77	68	Green Property Ir.25p	68	.....	t2.572	1.8	5.8	25.7
‖	F.P.	—	123	100	Greenwich Resources	100	−25	—	—	—	—
§20	F.P.	27/9	26	25	✣Israel (Jack L.) 4p	26	.....	60.5	2.3	2.7	22.2
§110	F.P.	6/9	112	98	✣Lowmar	103	.....	u2.685	3.0	3.6	12.7
§65	F.P.	30/8	72	68	✣Lysander Pet. 5p	68	.....	—	—	—	—
§44	F.P.	—	62	46	✣Micha'l J Design 2½p	62	+2	1.0	3.6	2.3	17.2
120	F.P.	26/7	115	100	Micro Scope 10p	107	.....	b1.5	4.2	2.0	15.0
105	F.P.	4/9	107	87	✣Moss Advertising 5p	93	+1	bg2.45	3.0	3.8	12.6
§170	F.P.	9/8	170	135	✣Pacer Systems $0.01	161	+4	bg3.40	—	1.9	—
§99	F.P.	9/8	137	102	✣Polypipe 10p	137	+4	b2.9	2.7	3.0	17.2
150	F.P.	9/8	125	93	✣Sapphire Petm. 50p	95	.....	—	—	—	—
110	F.P.	—	110	104	Tiphook 10p	106	.....	u3.73	2.1	5.0	10.6
§73	F.P.	—	104	74	✣Trilion 10p	87	−4	bg1.1	4.2	1.8	16.1
110	F.P.	30/8	133	117	✣Yellowhammer 5p	130	−2	bg1.8	1.4	1.7	12.9

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1985 High	1985 Low	Stock	Closing price £	+ or −
87.305	£30	—	30⅞	30	Australia 9½% Ln. 2012	30¼	+⅛
§96.458	£25	27/11	26¾	26⅛	Brixton Est. 10¾% 1st. Mort. Deb. 2025	26⅛	.....
¶¶	F.P.	27/9	105	100	Burton 8% Cnv. Uns. Ln. 2001	105	+1
¶¶	F.P.	26/10	109	106	Guinness 8¼% Cnv. Uns. Ln. 1996-2001	109	.....
¶100	£10	—	13⅛	13⅛	Eastbourne Water 8¾% Red. Prf. 1995	13⅛	.....
88.456	£30	24/1	31 1/16	29¾	Intl. Bk. for Rec. & Dev. 9½% Ln. 2010	30⅛	+⅛
§99.855	F.P.	16/10	100⅞	99⅞	Keystone Invs. 11¼% Deb. 2010/15	100¾	.....
‖	F.P.	16/10	105	100	Macallan-Glen. 6¼ Cnv. Uns. Ln. 2005	103	.....
90.708	£30	6/9	34⅛	29 11/16	Malaysia 10⅝% Ln. 2009	33⅞	+1/16
—	F.P.	—	100⅛	99 11/16	Nationwide 11⅝% Bds. 11/8/86	100	.....
—	F.P.	—	100	99 11/16	Do. 11¼% Bds. 1/9/86	99 11/16	.....
¶¶	F.P.	—	100	95	REA 9% Cum. Pref.	100	.....
‖	Nil	—	1ppm	1ppm	Wintrust 5¼% Cnv. Cum. Pref.	1ppm	.....

RIGHTS OFFERS

Issue price	Amount paid up	Latest Renunc. date	1985 High	1985 Low	Stock	Closing price	+ or −
90	F.P.	25/9	200	175	✣Applied Holographics 5p	190.5	.....
180	F.P.	9/9	335	220	Bestwood 10p	335	+27
47	Nil	—	11pm	8pm	Brit. Vending 10p	11pm	.....
25	F.P.	17/9	29½	28	Brown (J.) A	29	.....
5	F.P.	11/9	7½	5¼	Dares Est. 5 5p	7½	.....
280	F.P.	13/9	347	305	Extel	347	.....
360	Nil	27/9	56pm	45pm	Forshaws Burtonwood	45pm	.....
62	Nil	—	63pm	42pm	Greenwich Resources	42pm	−10
185	100	28/10	130	99	Hanson Trust	128	.....
25	F.P.	24/9	35	28	Holton	35	.....
230	Nil	—	45pm	2pm	Oceana Dev. Inv. Tst.	2pm	.....
120	F.P.	30/8	145	133	Prestwich	144	+2
15	Nil	—	4pm	2pm	RTD Group IR 1.75p	3pm	.....
400	F.P.	20/9	568	463	Siebe	550	.....
425	F.P.	20/9	505	445	TACE 10p	475	.....
260	F.P.	23/9	300	285	✣Thermal Scientific	300	+5

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ‖‖ Allotment letters or fully paid. ‖‖ Introduction. ✣ Unlisted Securities Market. § Placing price. ‡‡ Dealt in under Rule 535 (3). ♥ Dealt in under Rule 535 (4) (a).

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Aug 19	Sept 6	Nov 21	Dec 2
Sept 9	Sept 20	Dec 5	Dec 16
Sept 23	Oct 4	Dec 19	Dec 30

For rate indications see end of Share Information Service

Call options were transacted in *Goodman Bros*, *Charterhall*, Monument Oil and Gas, Premier Oil, Impala Platinum, Bestwood, Brunswick, Vosper, Caledonian Offshore, Glass Glover, Allied-Lyons, Weir, CASE, Barratt Developments, Pavion and Markheath Securities. Puts were done in Boots, Avana, Sedgwick and Cadbury Shweppes. A double option was taken out in Pavion.

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	94	0	13
Corpns. Dom. and Foreign Bonds	10	3	65
Industrials	293	301	879
Financial and Props.	84	106	363
Oils	26	29	70
Plantations	2	4	12
Mines	24	81	74
Others	81	51	110
Totals	614	575	1,586

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Wed Sept 4 1985 Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gross Div. Yield% (ACT at 30%)	Est. P/E Ratio (Net)	xd adj. 1985 to date	Tues Sept 3 Index No.	Mon Sept 2 Index No.	Fri Aug 30 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (206)	527.32	−0.4	10.72	4.22	11.75	11.17	529.49	536.31	536.78	506.73
2	Building Materials (22)	557.55	−0.4	11.78	4.75	10.55	13.04	559.94	562.86	559.92	459.18
3	Contracting, Construction (29)	836.99	−0.2	11.95	4.94	10.69	18.82	838.68	835.27	833.86	671.79
4	Electricals (14)	1460.97	+2.0	10.95	5.06	11.58	35.52	1432.12	1463.42	1476.22	1519.17
5	Electronics (38)	1369.73	−1.0	11.09	3.29	11.90	29.85	1383.18	1413.92	1440.85	1885.21
6	Mechanical Engineering (62)	299.47	+0.5	10.99	4.72	11.08	6.48	297.90	298.44	298.97	254.18
8	Metals and Metal Forming (7)	208.84	—	12.05	7.65	10.44	4.13	208.07	211.56	211.64	189.44
9	Motors (16)	168.47	−1.2	13.12	5.03	9.42	3.55	170.57	171.88	168.43	123.80
10	Other Industrial Materials (18)	945.46	−0.7	7.30	3.56	16.61	15.81	952.58	970.20	958.08	686.45
21	CONSUMER GROUP (176)	696.96	−0.2	9.17	3.75	13.61	12.56	698.44	696.79	691.43	513.77
22	Brewers and Distillers (23)	694.28	+1.3	9.94	4.16	12.69	13.83	685.25	682.49	680.22	495.25
25	Food Manufacturing (21)	507.72	−0.5	11.75	4.88	10.94	13.12	510.27	510.41	507.22	402.38
26	Food Retailing (14)	1618.24	+0.2	6.01	2.58	22.45	18.66	1615.49	1618.60	1608.71	1222.84
27	Health and Household Products (9)	1088.62	−0.7	6.22	2.73	18.87	11.95	1096.27	1097.48	1098.74	880.14
29	Leisure (22)	690.34	−0.4	8.19	4.80	15.97	21.26	693.32	694.54	693.32	563.85
32	Newspapers, Publishing (12)	1895.07	+0.3	7.61	4.02	16.92	37.91	1888.64	1897.93	1888.78	1302.57
33	Packaging and Paper (14)	367.39	−0.2	9.67	4.02	12.27	6.36	368.20	368.11	364.58	246.45
34	Stores (42)	695.00	−0.2	7.15	3.05	19.06	9.81	696.59	692.50	685.70	438.87
35	Textiles (16)	344.59	+0.4	12.68	4.77	8.94	8.08	343.06	335.75	333.04	267.99
36	Tobaccos (3)	827.89	−2.2	17.83	5.19	6.35	18.71	846.79	848.46	821.57	677.62
41	OTHER GROUPS (101)	701.94	−0.5	9.05	4.03	14.30	14.29	705.28	707.15	707.69	461.69
42	Chemicals (19)	686.26	−0.5	14.31	5.52	9.24	25.04	689.83	692.27	684.86	609.37
44	Office Equipment (4)	200.29	−2.0	7.98	4.39	14.95	3.64	204.45	205.78	206.83	140.69
45	Shipping and Transport (12)	1232.64	+2.8	7.76	4.23	16.00	26.88	1199.30	1202.71	1198.78	853.14
46	Miscellaneous (64)	867.85	+0.5	7.30	3.67	16.74	14.48	863.61	859.06	857.84	645.49
48	Telephone Networks (2)	908.75	−1.4	8.18	3.57	16.31	14.38	921.98	928.80	935.70	0.0
49	INDUSTRIAL GROUP (483)	660.78	−0.3	9.51	3.94	13.28	12.83	662.95	664.74	662.53	509.31
51	Oils (17)	1202.00	−0.4	15.61	7.22	7.87	51.89	1207.29	1214.15	1226.89	1059.86
59	500 SHARE INDEX (500)	706.14	−0.3	10.32	4.38	12.17	15.96	708.57	710.76	709.72	555.41
61	FINANCIAL GROUP (115)	483.83	−1.1	—	4.96	—	12.90	489.09	488.92	489.96	385.80
62	Banks (6)	488.21	−1.0	18.35	6.06	7.79	19.80	493.22	493.08	491.70	361.94
65	Insurance (Life) (9)	753.28	−1.7	—	4.33	—	15.74	766.19	767.86	769.33	533.64
66	Insurance (Composite) (7)	358.73	−2.5	—	5.47	—	8.53	368.02	369.19	372.27	279.46
67	Insurance (Brokers) (7)	1178.14	−0.4	7.08	3.52	18.90	21.02	1183.28	1160.56	1164.27	855.99
68	Merchant Banks (11)	234.83	+1.5	—	4.80	—	5.05	231.38	231.12	234.34	212.28
69	Property (50)	652.75	−0.8	5.71	3.70	23.48	10.88	657.93	660.97	661.02	591.08
70	Other Financial (25)	279.19	+0.2	10.15	5.94	12.11	9.62	278.58	276.64	277.61	244.05
71	Investment Trusts (106)	592.57	−0.1	—	3.64	—	11.27	593.30	592.69	592.56	512.49
81	Mining Finance (3)	260.06	+0.7	12.48	5.89	9.30	5.36	258.34	257.97	257.41	276.22
91	Overseas Traders (14)	604.15	+0.1	12.41	6.59	9.65	23.86	603.73	604.86	603.96	562.92
99	ALL-SHARE INDEX (738)	642.56	−0.4	—	4.47	—	14.88	645.33	646.82	646.26	512.34

	Index No.	Day's Change	Day's High	Day's Low	Sept 3	Sept 2	Aug 30	Aug 29	Aug 28	Year ago
FT-SE 100 SHARE INDEX	1326.7	−8.8	1336.7	1326.8	1335.5	1340.3	1340.8	1323.9	1308.2	1082.6

FIXED INTEREST

	PRICE INDICES	Wed Sept 4	Day's change %	Tues Sept 3	xd adj. today	xd adj. 1985 to date
	British Government					
1	5 years	119.62	+0.11	119.60	0.10	7.72
2	5-15 years	133.17	+0.36	132.70	—	9.34
3	Over 15 years	137.63	+0.37	137.43	0.31	9.73
4	Irredeemables	151.30	+0.25	150.92	—	8.90
5	All stocks	130.89	+0.27	130.62	0.08	8.89
6	Debentures & Loans	112.71	+0.08	112.61	—	7.33
7	Preference	80.50	+0.78	79.88	—	4.85
	BRITISH GOVERNMENT INDEX—LINKED STOCKS					
8	All stocks	111.68	+0.13	111.54	—	2.41

	AVERAGE GROSS REDEMPTION YIELDS		Wed Sept 4	Tues Sept 3	Year ago (approx.)
	British Government				
1	Low Coupons	5 years	9.95	9.98	11.45
2		15 years	10.14	10.18	10.90
3		25 years	10.15	10.19	10.42
4	Medium Coupons	5 years	10.71	10.76	12.18
5		15 years	10.51	10.56	11.35
6		25 years	10.17	10.20	10.65
7	High Coupons	5 years	10.80	10.87	12.21
8		15 years	10.67	10.71	11.51
9		25 years	10.31	10.34	10.75
10	Irredeemables†		9.77	9.79	10.29
11	Debs & Loans	5 years	11.50	11.52	12.61
12		15 years	11.38	11.39	12.43
13		25 years	11.25	11.26	12.24
14	Preference†		12.19	12.29	13.24
15	Inflation rate	5%	3.54	3.55	3.81
16		10%	3.35	3.36	3.63

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

YESTERDAY'S ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Allied-Lyons	267	+15
BICC	220	+17
BP	570	− 1
Charterhouse Pet.	101	+12
Commercial Union	221	—
Cope Allman	205	+ 1
Courtaulds	145	+ 5
GRE	685	−45
Guinness	261	+ 4
Parkfield	148	− 6
P & O Deferred	421	+23
Royal Insurance	650	− 7

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
Bowater Inds.	21	350	+15
Lucas Inds.	17	343	—
Dixons Group	16	355	+32
Allied-Lyons	15	252	+11
BTR	15	355	−11
BP	15	571	− 4
Distillers	15	353	+ 1
Brammer	14	318	− 7
Br. Aerospace†	14	190	+ 2
ICI	14	681	− 3
BICC	13	203	−15
Lasmo	13	278	−14

† Partly paid.

EUROPEAN OPTIONS EXCHANGE

Series		Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	May Vol.	May Last	Stock
GOLD C	$320	128	19	16	30	—	—	$325.60
GOLD C	$340	80	8.50	20	17.50 B	—	—	"
GOLD C	$360	42	3.60	8	9 B	11	16	"
GOLD P	$300	—	—	20	5	—	—	"
GOLD P	$320	130	6.50	—	—	8	12.60	"
GOLD P	$340	14	16 B	—	—	—	—	"
		Sept.		Dec.		March		
SILVER C	$600	—	—	6	50	—	—	$605
SILVER C	$650	—	—	1	22	—	—	"
$/FL C	Fl.305	—	—	80	18.50 A	—	—	Fl.320.30
$/FL C	Fl.310	56.	9.50	—	—	6	17	"
$/FL C	Fl.315	91	5.80	25	10.70	3	13.70	"
$/FL C	Fl.320	122	2.80	19	8.50	—	—	"
$/FL C	Fl.325	429	1.30	23	6.50	—	—	"
$/FL C	Fl.330	16	0.50	177	5 A	—	—	"
$/FL C	Fl.335	22	0.20	35	3.70	5	6.70	"
$/FL C	Fl.340	—	—	15	2.80	3	5.50	"
$/FL C	Fl.355	10	0.05	—	—	—	—	"
$/FL P	Fl.305	—	—	217	4.70	2	8.80	"
$/FL P	Fl.310	112	0.80	330	7.30	—	—	"
$/FL P	Fl.315	76	1.80	23	9.40	—	—	"
$/FL P	Fl.320	185	3.60 A	34	12	—	—	"
$/FL P	Fl.325	100	6.20	—	—	—	—	"
$/FL P	Fl.330	12	11	—	—	—	—	"
$/FL P	Fl.335	—	—	—	—	1	26	"
$/FL P	Fl.350	—	—	1	33	—	—	"
£/$ C	$130	148	7.90 A	—	—	—	—	$137.50
£/$ P	$135	10	0.60	—	—	—	—	"
£/$ P	$140	1	3.50 A	—	—	—	—	"
		Oct.		Jan.		Apr.		
ABN C	Fl.520	103	4.70	33	13.90	10	22.70	Fl.507.50
ABN P	Fl.500	97	5.40	51	9 A	20	11.50	"
AEGN C	Fl.100	47	2.70 B	63	5.70	—	—	Fl.99.20
AEGN P	Fl.95	46	0.90	13	2.40	—	—	"
AH C	Fl.250	23	3	1	8.50	—	—	Fl.243.50
AH P	Fl.240	57	3.50	—	—	—	—	"
AKZO C	Fl.120	564	8	180	10.80	17	13.50	Fl.125.50
AKZO P	Fl.130	102	6.60	355	7.20	76	7.80	"
AMRO C	Fl.90	64	1.70	31	3.70	15	5.80	Fl.87.60
AMRO P	Fl.90	13	3.40	67	4	2	5 B	"
GIST C	Fl.220	18	3.50 B	20	10 B	12	14.40	Fl.214
GIST P	Fl.200	37	0.70	2	2.20	—	—	"
HEIN C	Fl.150	174	4.20	28	7.30	7	9.40	Fl.146.50
HEIN P	Fl.140	—	—	74	2.50	—	—	"
HOOG C	Fl.65	291	1	121	3	67	5	Fl. 62.90
HOOG P	Fl.60	20	1	29	2	77	2.50	"
KLM C	Fl.65	334	0.90	459	2.70	49	4	Fl. 60.40
KLM P	Fl.60	240	1.60	75	2.50	22	3.30	"
NEDL C	Fl.170	176	15.10 B	6	20	—	—	Fl.182.50
NEDL P	Fl.150	137	0.10	—	—	—	—	"
NATN C	Fl.80	138	0.50	28	2.20 A	11	4	Fl. 74.40
NATN P	Fl.75	13	2	14	3.20	—	—	"
PETR C	Fr.5500	11	600	—	—	—	—	Fr.6110
PHIL C	Fl.50	186	1.40	1376	2.90 B	72	4.50	Fl.49.90
PHIL P	Fl.50	122	1.50	345	2.60	31	3.10	"
RD C	Fl.200	474	2.90	75	7.10	24	9.40	Fl.197.70
RD P	Fl.190	340	2.50	119	4.70	19	6	"
ROBE C	Fl.74	—	—	15	1.90	—	—	Fl.75.10
UNIL C	Fl.340	41	7	15	14	—	—	Fl.337
UNIL P	Fl.340	35	7.90	19	12	8	15	"

TOTAL VOLUME IN CONTRACTS: 20,002

A=Ask B=Bid C=Call P=Put

LONDON TRADED OPTIONS

Option		Calls Oct.	Calls Jan.	Calls Apr.	Puts Oct.	Puts Jan.	Puts Apr.
B.P. (*570)	460	118	—	—	1	—	—
	500	78	95	100	2	6	11
	550	35	52	58	11	17	25
	600	8	20	28	40	43	46
Cons. Gold (*409)	390	37	48	62	14	20	27
	420	17	37	47	33	42	47
	460	6	19	32	67	67	74
	500	3	12	18	107	107	110
Courtaulds (*146)	120	28	32	34	1	2	3
	130	19	23	25	2	4	5
	140	12	16	19	4	6	11
	160	4	6	—	18	21	—
Com. Union (*218)	180	41	—	—	2	—	—
	200	22	29	35	4	6	9
	220	9	17	22	15	16	19
	240	3	8	12	28	27	30
G.E.C. (*176)	160	22	28	34	2	5	8
	180	9	14	20	10	14	17
	210	2	6	12	26	26	28
Grand Met. (*328)	280	55	67	72	1½	4	6
	300	38	48	53	3	7	9
	330	13	23	30	15	18	22
I.C.I. (*674)	650	48	65	76	10	17	27
	700	17	35	45	34	42	55
	750	6	17	—	80	86	—
Land Sec. (*298)	280	24	30	35	3	6	9
	300	9	19	22	8	15	16
	330	2	6	10	32	33	34
Marks & Sp. (*153)	120	35	—	—	1	—	—
	130	25	29	35	1½	3	4
	140	16	20	24	2½	5	7
	160	4	7	10	13	16	18
Shell Trans. (*718)	650	72	87	97	4	9	18
	700	35	47	60	17	25	32
	750	9	20	25	45	52	57
	800	2	—	—	95	—	—
Traf'gar Hse (*385)	330	—	68	—	—	4	—
	353	41	—	—	5	—	—
	360	—	41	47	—	11	16
	383	19	—	—	11	—	—
	390	—	21	28	—	23	26

Option		Calls Nov.	Calls Feb.	Calls May	Puts Nov.	Puts Feb.	Puts May
BAT Inds. (*318)	300	30	40	48	8	12	20
	330	10	18	27	23	28	32
	360	4	—	—	48	—	—
	390	1	—	—	77	—	—
Barclays (*387)	335	66	—	—	2	—	—
	360	—	52	67	—	10	15
	385	27	—	—	20	—	—
	390	—	35	43½	—	27	35
	420	—	17	—	—	46	—
Brit. Aero (*376)	300	83	90	—	1	3	—
	330	53	63	70	4	10	15
	360	30	42	52	10	23	28
	390	18	30	35	27	35	40
	420	9	11	—	50	52	—
BritTelecom (*201)	170	36	—	—	1	—	—
	180	26	32	38	2½	4	7
	200	14	19	24	9	14	16
	220	4	9	12	21	23	26
Imperial Gr. (*181)	160	24	32	38	2	7	10
	180	13	20	26	8	12	16
	200	4	8	12	22	25	27
	220	1	—	—	41	—	—
LASMO (*271)	240	37	55	—	4	9	—
	260	27	37	42	9	20	24
	280	17	25	30	22	30	37
	293	7	—	—	33	—	—
	300	—	13	20	—	45	48
	323	3	—	—	63	—	—
	353	2½	—	—	—	—	—
Lonrho (*153)	140	20	24	26	3	4	5
	160	6½	13	15	8½	12	13
	180	2½	4½	—	28	29	—

Option		Calls Nov.	Calls Feb.	Calls May	Puts Nov.	Puts Feb.	Puts May
P. & O. (*421)	360	67	77	—	1	6	—
	390	37	48	55	5	13	18
	420	17	27	35	15	23	30
Racal (*146)	140	16	24	32	6	10	12
	160	8	14	22	20	22	24
	180	3	8	14	36	36	36
	200	1½	4	—	56	56	—
R.T.Z. (*594)	500	107	112	—	4	9	—
	550	65	74	85	10	20	27
	600	33	42	52	35	40	47
Vaal Reefs (*$70)	70	10	14	16	8	10	12
	80	6¼	9½	10½	14½	16	17½
	90	4	5½	—	20	21	—
	100	2	2¾	—	30	31	—
Ex10% 1989 (*£98)	94	[illegible]	[illegible]	—	[illegible]	[illegible]	—
	96	[illegible]	2⅞	—	0⅛	[illegible]	—
	98	[illegible]	[illegible]	—	[illegible]	[illegible]	—
Tr 11¾% 1991 (*£104)	—	—	—	2⅞	—	—	[illegible]
	—	—	—	1½	—	—	[illegible]
	—	—	—	0¾	—	—	[illegible]
Tr. 11¾% 03/07 (*£110)	106	5	[illegible]	—	[illegible]	[illegible]	—
	108	3¼	[illegible]	4⅛	[illegible]	0¾	[illegible]
	110	1⅞	[illegible]	[illegible]	1	1⅝	[illegible]
	112	0⅞	[illegible]	2¼	[illegible]	2½	2¾

Option		Calls Sept.	Calls Dec.	Calls Mar.	Puts Sept.	Puts Dec.	Puts Mar.
BTR (*351)	300	56	70	75	1½	6	9
	325	37	50	—	5	12	—
	330	—	—	50	—	—	18
	350	14	30	—	17	25	—
	360	—	—	30	—	—	38
Beecham (*333)	300	38	50	58	2	6	8
	330	14	25	35	8	15	25
	360	3	13	18	30	35	40
Bass (*572)	500	80	94	104	2	6	11
	550	30	47	62	8	17	25
	600	6	22	32	32	47	52
De Beers (*$4.30)	460	10	22	42	42	50	60
	500	5	13	30	75	82	95
	550	2	5	17	125	130	135
GKN (*225)	200	30	36	42	1½	4	6
	220	13½	21	28	5	9	12
	240	4	9	15	16	19	22
Glaxo (*1343)	1250	107	140	175	6	25	35
	1300	67	110	150	13	38	48
	1350	28	75	110	36	55	65
Hanson (*212)	180	—	41	46	—	3	4
	182	32	—	—	1	—	—
	195	20	29	—	3	6	—
	200	—	—	31	—	—	10
	215	5	15	—	9	13	—
Jaguar (*283)	260	28	38	45	3	9	14
	280	14	26	31	7	16	22
	300	5½	17	—	22	27	—
Tesco (*261)	236	28	38	—	1½	6	—
	240	—	—	36	—	—	9
	256	13	22	—	6	12	—
	260	—	—	27	—	—	15
£/$ (*137.42cts)	130	7.65	8.90	10.20	0.10	2.60	4.80
	135	2.65	5.90	7.40	0.50	4.60	6.70
	140	0.40	3.50	5.40	3.10	7.50	9.20
	145	0.10	2.00	3.70	7.90	10.70	12.80
$/DM (*35.13 cts)	34	1.10	1.85	2.40	0.10	0.70	1.00
	35	0.48	1.25	1.88	0.40	1.10	1.40
	36	0.10	0.94	1.40	0.95	1.65	1.90
	37	0.09	0.55	1.05	2.20	2.35	2.50

Option		Calls Sep	Calls Oct	Calls Nov	Calls Dec.	Puts Sep.	Puts Oct.	Puts Nov	Puts Dec
FT-SE Index (*1326)	1200	130	—	—	142	1	—	—	6
	1250	80	86	—	97	3	6	—	16
	1275	—	68	—	—	—	10	—	—
	1300	37	43	—	67	9	20	—	32
	1325	17	26	27	—	18	30	38	—
	1350	8	14	23	30	40	47	62	57

September 4 Total Contracts 11,632 Calls 6,335 Puts 5027

*Underlying security price.

4

WORLD STOCK MARKETS

AUSTRIA

Sept. 4	Price Sch%	+ or —
Creditanstalt	374	+3
Goesser	515	+5
Interunfall	2,625	.....
Laenderbank	367	+4
Perlmooser	615	—25
Steyr-Daimler	171	—3
Veitscher Mag	561	-4

BELGIUM/LUXEMBOURG

Sept. 4	Price Frs.	+ or —
B.B.L.	2,040	.....
Banq. Gen Lux	7,150	+100
Banq. Int. A. Lux	6,950	+150
Bekaert B	6,250	.....
Ciment CBR	2,510	.....
Cockerill	207	.....
Delhaize	8,000	.....
EBES	3,015	.....
Electrobel	9,100	+50
Fabrique Nat	1,885	+10
GB Inno BM	4,060	+160
GBL (Brux)	1,930	+5
Gevaert	4,000	.....
Hoboken	5,650	+150
Intercom	2,295	+20
Kredietbank	9,100	.....
Pan Hldgs.	10,150	+150
Petrofina	6,120	-10
Royale Belge	12,900	+150
Soc. Gen. Banq	3,375	—15
Soc. Gen. Belge	1,840	+10
Sofina	7,450	+60
Solvay	5,010	+10
Stanwick Intl.	1,300	.....
Tractionel	4,090	+60
UCB	5,110	.....
Wagon Lits	3,540	+135

DENMARK

Sept. 4	Price Kr %	+ or —
Andelsbanken	324	3
Baltic Skand	665	-15
CopHandelsbank	294	—4
D. Sukkerfab	610	.....
Danske Bank	343	2
De Danske Luft.	1,405	+40
East Asiatic	253	4
Forenede Brygg.	990	—5
Forenede Damp.	215	1
GNT Hldg	505	.....
I.S S.B.	580	+20
Jyske Bank	695	35
Novo Ind's	1,315	.....
Privatbanken	308	2
Provinsbanken	397	+2
Smidth (F.L.) B	274	-
Sophus Berend	1,090	10
Superfos	397	4

FRANCE

Sept. 4	Price Frs.	+ or —
Emprunt 4½% 1975	1,591	-3
Emprunt 7% 1973	8,445	30
Accor	261	.....
Air Liquide	587	+2
BIC	515	-5
Bongrain	1,700	-10
Bouygues	775	3
BSN Gervais	2,202	+42
CIT Alcatel	1,165	1
Carrefour	2,295	-55
Club Mediter'n	510	4
Cie Bancaire	636	3
Cofimeg	288.5	.....
Damart	1,950	+10
Darty	1,440	+5
Dumez S.A.	825	—3
Eaux (Cie Gen)	647	-2
Elf Aquitane	201	.....
Essilor	2,280	—15
Gen. Occidentale	757	.....
Imetal	88.6	0.2
Lafarge Coppee	528	+1
L'Oreal	2,412	-2
Legrand	2,142	.....
Maisons Phenix	148	+1.5
Matra S.A.	1,650	-60
Michelin B	1,184	-18
Midi (Cie)	3,125	-25
Moet-Hennessy	1,950	-10
Moulinex	78.05	-2.45
Nord Est.	97.5	-0.5
Pernod Rica	718	—5
Perrier	482	-12.3
Petroles Fra.	235.5	-1.6
Peugeot S.A.	412	—1
Printempts Au	291	+2.2
Radiotech	313	+3
Redoute	1,530	-15
Roussel-Uclaf	1,610	2
Sefimeg	350	.....
SkisRossignol	1,465	.....
Telemec Elect	2,640	.....
Thomson CSF	586	—4
Valeo	251	+10.5

GERMANY

Sept. 4	Price Dm.	+ or —
AEG-Telef	138.2	—2.4
Allianz Vers	1,438	+15
BASF	216	—2.7
Bayer	214.5	—1.5
Bayer-Hypo	368	+2
Bayer-Verein	380	—7
BHF-Bank	311	—2
BMW	467	—5
Brown Boveri	256.5	.....
Commerzbank	202.5	-3
Cont'l. Gummi	154.2	—9.1
Daimler-Benz	960.5	—0.5
Degussa	366	—4
D'sche Babcock	169	.....
Deutsche Bank	574	—2.5
Dresdner Bank	265.5	—2
GHH	184.5	—1.1
Hochtief	780	+30
Hoechst	210.9	—0.7
Hoesch Werke	122	—2
Holzmann (P.)	483xd	-3
Horten	191	—2
Hussel	369.5	—5.5
Karstadt	258	.....
Kaufhof	288	—2
KHD	288	-5
Kloeckner	69.5	—2.5
Linde	554.5	—6.5
Lufthansa	223.5	—6.5
MAN	168	—0.5
Mannesmann	201.8	—1.2
Mercedes Hld.	864	—1
Metallgesell	263	—8
Muench Rueck	1,890	—30
Nixdorf	532.2	—5.7
Porsche	1,325	-3
Preussag	281	—2
Rhein West Elect	194.5	—1.5
Rosenthal	254	+2
Schering	474	-4.5
Siemens	543	—5.2
Thyssen	127	—2
Varta	326	6
Veba	231	—1.5
V.E.W.	150.5	—0.5
Verein-West	355	.....
Volkswagen	323	+3.5

ITALY

Sept. 4	Price Lira	+ or —
Banco Com'le	23,750	—50
Bastogi-IRBS	255	.....
B.I-Invest	6,150	—120
Centrale	3,305	—20
Credito Varesino	4,520	-30
Fiat	4,260	+10
Finsider	—	—
Generali Assicur.	59,000	+250
Italcementi	46,850	+650
La Rinascente	849	—1
Montedison	2,248	-22
Olivetti	6,860	+180
Pirelli Co	6,001	-329
Pirelli Spa	3,030	—35
Saipem	6,100	-47
Snia BPD	3,535	—15
Toro Assic.	19,150	—30
do Pref	14,520	—180

NETHERLANDS

Sept. 4	Price Fls	+ or —
ACF Holding	240	—4
AEGON	99.2	-0.8
Ahold	243.5	—0.5
AKZO	125.9	-0.8
ABN	507.5xr	—4.5
AMEV	292.5	4.6
AMRO	87.6	—1.1
Bredero Cert	175	+4
Bos Kalis Westm.	14.8	—1.5
Buehrmann-Tet.	103.2	—0.4
Calland Hldgs.	36.8	.....
Dordtsche Pet'm	182	—2.5
Elsevier NDU	127	—5
Fokker	81.5	—0.5
Gist Brocades	214	+0.5
Heineken	148.5	—0.8
Hoogovens	62.9	—0.3
Int Mueller	63.4	+2.2
KLM	60.4	—1.3
Naarden	47.4	-0.4
Nat Ned Cert	74.4	-0.6
Ned Mid Bank	212	—3
Nedlloyd	182.5	+1.7
Oce Grinten	345	+0.2
Ommeren (Van)	27.9	—0.3
Pakhoed	64	-2.1
Philips	49.9	—0.4
Robeco	75	—0.7
Rodamco	134.2	-0.1
Rolinco	68.9	—1.3
Rorento	46.2	.....
Royal Dutch	197.7	-2
Unilever	357	—3.5
VMF Stork	242	—3.2
VNU	224	+1
Wessanen	180.5	+2
West Utr Bank	97.5	—0.5

NOTES—Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights.

NORWAY

Sept. 4	Price Kroner	+ or —
Bergens Bank	145	+0.5
Borregaard	425	+2.5
Christiania Bank	140	.....
DenNorske Cred	145.5	+1
Elkem	118	+1.5
Kosmos	221	—9
Kvaerner	160.5	-0.5
Norsk Data	382	.....
Norsk Hydro	108.5	—0.5
Storebrand	269.5	+2

SPAIN

Sept. 4	Price Pts%	+ or —
Bco Bilbao	352	.....
Bco Central	318	-1
Bco Exterior	202	+2
Bco Hispano	145	+2
Bco Popular	330	.....
Bco Santander	348	.....
Bco. Vizcaya	441	—1
Dragados	130.5	—3.5
Hidrola	76.7	—0.8
Iberduero	93.2	.....
Petroleos	131	-3
Telefonica	115	.....

SWEDEN

Sept. 4	Price Kroner	+ or —
AGA	131	+2
Alfa-Laval B	196	-4
ASEA (Free)	255	.....
Astra (Free)	435	+25
Atlas Copco	117	+2
Cardo (Free)	230	.....
Cellulosa	152	.....
Electrolux B	282	.....
Ericsson B	239	+2
Esselte	370	.....
Mo och Domsjo	171	—2
Pharmacia	178	—2
Saab Scania Free	405	.....
Sandvik	435	-2
Skandia	545	+5
Skan Enskilda	54.5	—0.5
SKF	228	.....
St Kopparbergs	150	—1
Sonesson	149	.....
Sven Handlesbn	180	.....
Swedish Match	195	.....
Volvo B (Free)	235	3

SWITZERLAND

Sept. 4	Price Frs.	+ or —
Adia Intl	3,925	—75
Alusuisse	785	—25
Bank Leu	3,810	—30
Brown Boveri	1,760	.....
Ciba Geigy	3,390	—30
do. (Part Certs)	2,590	—10
Credit Suisse	3,000	—75
Elektrowatt	3,425	—15
Fischer (Geo.)	960	—10
Hoff-Roche PtCts	95,550	—750
Hoff-Roche 1/10	9,550	—100
Jacobs Suchard	6,900	—50
Jelmoli	2,775	—65
Landis & Gyr	2,040	—30
Nestle	7,180	—120
Oer-Buehrle	1,570	—40
Pirelli	370	—8
Sandoz (Br)	8,600	—175
Sandoz (PtCts)	1,430	—25
Schindler (Pt Cts)	910	—10
Sika	1,560	—10
Surveillance A	5,650	—40
Swissair	1,465	+5
Swiss Bank	465	-10
Swiss Reinsce	13,000	—200
Swiss Volksbk	1,870	.....
Union Bank	4,330	—45
Winterthur	4,650	—45
Zurich Ins	6,625	—75

AUSTRALIA

Sept. 4	Price Aust $	+ or —
ANZ Group	4.67	—0.03
Alliance Oil Dev.	1.05	.....
Ampol Pet	2.15	—0.05
Ashton	1.15	.....
Aust. Cons. Ind	2.8	—0.08
Aust. Guarantee	2.8	—0.02
Aust. Nat. Inds	2.58	+0.03
APM	2.7	—0.05
Bell Group	8.2	+0.2
Bell Res	7.6	+0.5
Bond Corp Hldgs	1.8	.....
Boral	3.6	+0.03
Bougainville	1.8	—0.05
Brambles Inds	5.6	—0.05
Bridge Oil	2.52	—0.08
B.H. Prop	7.02	—0.04
CRA	5.46	+0.04
CSR	2.93	+0.03
CastlemaineTys	8.0	.....
Coles (G.J.)	4.15	.....
Comalco "A"	1.8	—0.05
Consolidated Pet	0.35	.....
Costain Aust	1.95	.....
Dunlop Olympic	2.38	+0.08
Elders IXL	3.11	+0.01
Energ Res	1.6	—0.01

AUSTRALIA (continued)

Sept. 4	Price Aust.$	+ or —
Gen. Prop. Trust.	2.27	.....
Hardie (James)	3.24	+0.04
Hartogen Energy	2.25	.....
Herald W'ylimes	4.5	—0.35
ICI Aust	2.0	.....
Jimberlana F.P.	0.31	+0.05
Kia Ora Gold	0.15	—0.01
Lend Lease	6.7	+0.1
MIM	2.55	.....
Mayne Nickless	5.0	.....
Myer Emporium	3.45	—0.05
Nat. Aust. Bank	4.67	+0.02
News	6.86	+0.04
Nicholas Kiwi	2.0	.....
North Bkn Hill	2.48	-0.06
Oakbridge	1.2	.....
Pancontinental	2.15	.....
Pioneer Conc.	1.94	—0.01
Poseidon	4.6	.....
Queensland Coal	1.65	—0.05
Reckitt & Colman	3.78	.....
Repco	1.40	—0.02
Santos	3.46	-0.05
Smith (Howard)	5.76	+0.06
Thos. Natwide	2.2	.....
Tooth	5.7	.....
Vamgas	3.45	—0.2
Western Mining	3.88	—0.02
Westpac Bank	4.57	—0.05
Woodside Petrol	1.3	+0.01
Woolworths	3.25	.....
Wormald Intl	3.96	+0.02

HONG KONG

Sept. 4	Price H.K.$	+ or —
Bank East Asia	22.7	.....
Cheung Kong	17.7	.....
China Light	15.4	—0.1
Evergo	0.9	.....
Hang Seng Bank	43.5	—1.25
Henderson Land	2.15	.....
HK China Gas	9.9	.....
HK Electric	6.05	.....
HK Kowloon Wh.	6.55	.....
HK Land	6.05	.....
HK Shanghai BK.	7.5	—0.05
HK Telephone	8.5	.....
Hutchison Wpa.	26.7	-0.2
Intnl. City	0.88	.....
Jardine Math.	11.9	—0.1
New World Dev.	7.35	.....
Orient O'seas	1.99	.....
SHK Props	12.6	+0.1
Shell Elect	1.5	.....
Swire Pac A	25.3	+0.2
TV—B	6.5	-0.3
World Int. Hldgs.	2.02	-0.03

JAPAN

Sept. 4	Price Yen	+ or —
Ajinomoto	1,270	+10
Alps Electric	1,210	—30
Amada	748	—2
Asahi Chem	780	—15
Asahi Glass	790	.....
Bridgestone	540	—3
Canon	920	—10
Casio Comp	1,480	—20
Chugai Pharm	942	+1
Citizen	399	—2
Daiei	678	—2
Dai Nippon Ptg	1,050	—10
Daiwa House	810	—10
Ebara	471	—4
Eisai	1,380	.....
Fanuc	7,550	—50
Fuji Bank	1,600	+10
Fuji Film	1,900	—20
Fujisawa	853	—27
Fujitsu	870	—4
Green Cross	2,150	.....
Hasegawa	499	—11
Heiwa Real Est	780	—5
Hitachi	645	—16
Hitachi Credit	1,040	—30
Honda	1,340	+10
House Food	792	.....
Hoya	1,750	—20
Itoh (C)	440	—3
Ito. Yokado	2,760	—70
Iwatsu	780	—10
JACCS	337	—2
JAL	5,590	—10
Jusco	868	—5
Kajima	456	—4
Kao Soap	856	+6
Kashiyama	720	—9
Kirin	718	+3
Kokuyo	965	—5
Komatsu	556	—16
Konishiroku	675	—5
Kubota	415	—1
Kumagai	806	—6
Kyocera	3,440	+30
Maeda Const	850	—2
Makino Milling	856	—4
Makita	972	.....
Marubeni	385	—12
Marudai	696	—28
Marui	1,400	.....
MEI	1,190	.....
M'ta Elec Works	849	—1
M'bishi Bank	1,520	—20
M'bishi	640	—10
M'bishi Elect	338	—2
M'bishi Estate	930	—20

JAPAN (continued)

Sept. 4	Price Yen	+ or —
MHI	391	—11
Mitsui	416	—13
Mitsui Estate	905	—14
Mitsukoshi	685	—25
NGK Insulators	785	—36
Nihon Cement	338	.....
Nippon Denso	1,190	—20
Nippon Elect	907	—6
Nippon Express	515	—10
Nippon Gakki	1,140	—20
Nippon Kokan	148	—4
Nippon Oil	829	—8
Nippon Seiko	455	.....
Nippon Shimpan	875	+3
Nippon Steel	172	—4
Nippon Suisan	418	—6
NTV	9,500	—400
Nippon Yusen	308	—6
Nissan Motor	625	—5
Nisshin Flour	490	—19
Nisshin Steel	172	—3
Nomura	1,190	—20
Olympus	910	—21
Orient Leasing	2,550	.....
Pioneer	1,720	—10
Renown	745	—5
Ricoh	834	+9
Sankyo	1,150	—50
Sanyo Elect	390	.....
Sapporo	528	—6
Sekisui Prefab	661	—6
Seven-Eleven	8,540	—10
Sharp	802	—2
Shimadzu	700	.....
Shionogi	771	—5
Shiseido	1,130	—30
Sony	3,530	—20
Stanley	690	—6
S'tomo Bank	1,780	+10
S'tomo Elect	695	.....
S'tomo Marine	691	—5
S'tomo Metal	153	—1
Taihei Dengyo	561	—1
Taisei Corp.	335	.....
Taisho Pharm	1,290	+10
Takeda	898	—25
TDK	3,870	—10
Teijin	485	—18
Teikoku	638	—2
Tokio Marine	875	—10
TBS	860	—10
Tokyo Elect Pwr	2,080	—30
Tokyo Gas	330	—5
Tokyo Sanyo	649	+35
Tokyo Style	1,040	—20
Tokyu Corp	508	—15
Toppan Print	790	.....
Toray	529	—4
Toshiba Elect	331	—5
TOTO	874	+12
Toyo Seikan	1,290	+10
Toyota Motor	1,120	—10
Victor	1,300	—30
Wacoal	720	—10
Yamaha	653	—3
Yamanouchi	3,220	—30
Yamazaki	835	+10
Yasuda Fire	550	.....
Yokogawa Bdge.	653	+13

SINGAPORE

Sept. 4	Price $	+ or —
Boustead Hldgs.	1.53	.....
Cold Storage	2.84	+0.04
DBS	4.82	+0.02
Genting	5.7	—0.05
Haw Par. Bros.	2.06	.....
Hong Leong Fin.	2.39	+0.01
Inchcape Bhd.	2.18	.....
Keppel Shipyard	1.15	.....
Malay Banking	5.55	.....
Malay Utd. Ind.	2.41	.....
Multi Purpose	0.86	—0.01
OCBC	8.1	+0.05
OUB	2.68	+0.01
Public Bank	1.4	.....
Sime Darby	1.73	—0.04
Singapore Press	5.5	—0.1
Straits Trdg.	5.00xc	—0.08
Tat Lee Bk	2.39	.....
UOB	3.36	+0.04

SOUTH AFRICA

Sept. 4	Price Rand	+ or —
Abercom	1.67	+0.02
AE&CI	7.60	.....
Allied Tech	62	.....
Anglo Am Coal	57	—0.5
Anglo Am Corp	30	—0.5
Anglo Am Gold	188	.....
Barclays Bank	18.25	+0.1
Barlow Rand	11.75	+0.25
Buffels	73.5	+1
CNA Gallo	2.3	.....
Currie Finance	4.05	.....
De Beers	11.5	+0.1
Driefontein	49	—0.25
FS Geduld	58	+2.5
Gold Fields SA	33.5	+0.5
Highveld Steel	5.5	.....
Nedbank	11.1	+0.1
OK Bazaars	12.5	.....
Protea Hldgs	2.45	.....
Rembrandt	45	+0.5
Rust Plat	17.5	+0.1
Safren	13.25	—0.25
Sage Hldgs	9.5	.....
SA Brews	7.25	—0.1
Smith (CG)	23	.....
Tongaat Huletts	6.6	.....
Unisec	6.12	+0.07

CANADA

TORONTO
Closing prices September 4

Sales	Stock	High	Low	Close	Chng
2513	Abti Prce	$20⅝	20⅝	20⅝	—⅛
102	Acklands	$17⅝	17⅝	17⅝	—⅛
8500	Agnico E	$19⅞	19⅝	19½	—⅜
3900	Agra Ind A	$8⅝	8	8⅝	+⅝
6615	Alt Energy	$20⅛	19½	19½	—½
6150	Alta Nat	$14⅝	14¼	14⅝	
200	Algoma St	$21½	21¼	21¼	—¼
5715	Argcen	$22	21¼	21¼	—¼
30	Argus C pr	$12½	12½	12½	
8440	Atco I f	$11⅝	11	11⅝	—⅛
2256	BP Canada	$33⅝	33⅝	33⅝	
262501	Bank BC	$5¼	490	495	—30
596387	Bank N S	$13⅝	13⅛	13¼	—⅛
21508	Barrick o	180	175	175	—7
5	Baton A f	$19½	19½	19½	+⅛
27152	Bonanza R	395	385	390	
311800	Bramalea	$17	17	17	—⅜
400	Brenda M	$10	10	10	
7158	BCFP	$9⅝	9⅝	9⅝	
30670	BC Res	235	228	228	—7
16710	BC Phone	$24⅛	23¾	23¾	—⅝
5000	Brunswk	$15½	15	15⅜	—⅛
2700	Budd Can	$28¼	27	27¼	—1
10514	CAE	$15⅞	15⅝	15¾	
5050	Cad Frv	$12⅞	12⅝	12¾	—⅛
1700	Campeau f	$28⅜	28	28	—½
300	C Nor West	$24	23⅝	23⅝	—⅜
225	C Packrs	$34½	34½	34½	
6850	Can Trust	$41⅞	41½	41½	
5200	C Tung	$13⅞	13½	13⅞	+⅜
247619	Cl Bk Com	$38¼	38	38⅛	—⅛
29293	CTire A f	$9⅞	9¾	9⅞	+⅛
400	C Util B	$18¼	18¼	18¼	
1300	Cara	$16½	16½	16½	+¼
1403	Celanese	$9¾	9¾	9¾	
40	Celan	175	p	$18¾	18¾
64250	Centrl Tr	$15¾	15½	15½	+⅛
3520	Cineplex	$10⅝	10½	10⅝	
4775	C Distb A	$7¾	7⅝	7¾	+⅛
666800	CDistb B f	$7½	7⅛	7⅝	+⅛
12380	CTL Bank	$11¾	11⅝	11¾	+⅛
12400	Coseka R	330	315	315	
700	Conroa A	$14⅝	14½	14⅝	
2854	Crownx	$21⅝	21½	21⅝	+⅛
329350	Czar Res	270	240	270	+20
17568	Daon Dev	420	410	420	+5
13600	Denison A p	$13½	13¼	13¼	—⅛
22020	Denison B f	$13⅛	12⅞	12⅞	—⅛
1600	Develcon	$5⅝	5⅝	5⅝	
15610	Dickrsn A f	$7½	7⅜	7⅜	
2310	Dickrsn B	$7½	7⅜	7⅜	
14018	Dofasco	$25⅜	25⅛	25¼	—⅛
10000	Donohue	$16¾	16½	16½	—¼
1750	Du Pont A	$23	22⅝	23	+⅜
7600	Dylex A	$14¼	14	14	—¼
2000	Elcthom X	$8⅝	8¼	8¼	
100	Emco	$22¼	22¼	22¼	+¼
4300	Equity Svr	$8	7⅞	8	
900	FCA Intl	$18	17⅞	18	
462	C Falcon C	$15¾	15¾	15¾	—¼
1300	Ficnbrdge	$20½	20½	20½	
6850	Fed Ind A	$13	12⅞	12⅞	+⅛
128300	F City Fin	$12½	12	12¼	—¼
25200	Genstr A	$31	30⅞	31	+⅛
4200	Geac Comp	$10⅞	10½	10½	—¼
544642	Geocrude	370	360	365	+5
900	Gibraltar	$8⅝	8⅝	8⅝	
11010	Goldcorp f	$7⅞	7	7⅝	+¼
115	Goodyear	$39	39	39	—1
2900	Graft G	$13¾	13¾	13¾	
97224	GL Forest	$20¼	20¼	20¼	—¼
30	Gt Pacific	$34	34	34	
3200	Greyhnd	$22⅞	22¼	22¼	—⅝
900	Hawker	$20¼	20¼	20¼	—⅛
8535	Hayes D	$11⅞	11¾	11¾	—⅛
3400	Hees Intl	$22¾	22⅜	22⅜	—⅜
24830	H Bay Co	$22¾	22⅝	22⅝	—¼
117206	Imasco	$26¼	25⅞	25⅞	—⅜
8100	Indal	$16½	16½	16½	—⅛
300	Inglis	$16	16	16	
5600	Inland Gas	$22¼	22⅛	22¼	+¼
13900	Intl Thom	$9⅝	9½	9⅝	
17144	Inter Pipe	$42⅛	41⅝	42	+¼
26	Ipsco	$14½	14½	14½	+¼
176000	Jannock	$16¾	16½	16¾	+⅜
1100	Kelsey H	$41	40¾	40¾	—¼
807	Kerr Add	$15⅛	15	15⅛	—⅛
78720	Labatt	$28¾	28½	28½	—⅜
200	LOnt Cem	$14⅝	14⅝	14⅝	+⅛
3500	Lacana	$12¼	12¼	12¼	
3685	Loblaw Co	$21¾	21½	21½	—¼
33300	Lumonics	$18⅝	18	18⅛	—⅜
6320	MDS H A	$17⅞	17¼	17¼	+¼
1730	MICC	415	415	415	—5
23200	Mclan H X	$13¼	13	13⅛	+⅛
3721	Maritime f	$15⅝	15¼	15⅝	—¼
3078	Merland E	380	375	375	—5
10700	Molson A f	$18⅛	17⅞	18⅛	
780	Molson B	$17⅞	17⅝	17⅝	—⅛
2279	Murphy	$23⅜	23⅛	23⅛	+⅛
1350	Nabisco L	$28¼	28	28	
116219	Noranda	$16⅞	16½	16¾	—⅛
13316	Norcen	$16⅞	16⅝	16⅝	—⅛
134315	Nva AltA f	$6⅝	6½	6¼	—⅛
4820	Nowsco W	$20⅛	20	20	
62582	Nuwst sp A	49	47½	49	
1007	Oakwood	$7⅝	7⅝	7⅝	
8100	Oshawa A f	$31½	31⅛	31⅛	—¼
26775	Pac W Airln	$15	14⅝	14¾	—¼
5350	Pamour	$8⅞	8⅞	8	—⅜
13525	PanCan P	$35¾	35¼	35¼	
1620	Pembina	$17⅞	17⅞	17⅞	—½
650	Pine Point	$23⅞	23½	23½	
53630	Placer	$25⅝	25⅝	25½	—⅛
434	Provigo	$25½	25½	25½	
3300	Que Sturg o	$5⅛	5	5⅛	
2620	Rayrock f	$10⅛	9⅞	9⅞	—⅜
22551	Redpath	$14⅛	13⅞	13⅞	
22930	Rd Stenhs A	$21⅞	21⅝	21⅞	+⅛
2375	Roman	$13	12¾	12¾	—¼
31200	Sceptre	$5⅝	5⅝	5⅝	+⅛
12400	Scotts f	$26⅜	25⅝	25⅝	+⅛
102860	Sears Can	$9	8¾	8⅞	—⅛
12647	Shell Can	$26¼	26	26⅛	—¼
22785	Sherritt	$8⅞	8⅝	8⅝	—⅛
1263	Slater B f	$13⅛	12¾	13⅛	+⅛
13660	Southam	$14¼	14	14⅛	—⅛
12750	Spar Aero f	$28½	28¼	28½	+¼
100	St Brodcst	$19⅝	19⅝	19⅝	—⅛
22940	Stelco A	$21¾	21⅝	21¾	+⅛
14700	Sulpitro	252	240	240	—10
515	Steep R	260	250	260	+10
400	Tara	$19¼	19¼	19¼	
1320	Teck Cor	$15¼	15¼	15¼	—⅛
30355	Teck B f	$15¼	15	15	—¼
15000	Tex Can	$33	32¾	32¾	—¼
58560	Thom N A	$22¼	22	22¼	
87736	Tor Dm B	$24⅛	23¾	24	
2910	Torstar B f	$28¾	28½	28⅝	—⅛
8770	Traders A f	$21⅜	21⅛	21⅛	—⅛
17409	Trns Mt	$10¾	10⅝	10¾	+⅛
500	Trinity Res	380	380	380	+5
19315	TrnAlta UA	$25⅝	25⅜	25½	—⅛
35077	TrCan PL	$26	25⅝	26	+⅛
7388	Trimac	405	395	395	—5
186740	Trilon A	$21⅛	20¾	21⅛	+⅜
9300	Trizec A f	$27	26⅞	27	+⅛
142855	Turbo	64	60	63	+3
3400	Unicorp A f	$8⅝	8½	8½	—⅛
2000	Un Carbid	$13¾	13¼	13¾	—⅛
4572	U Enterprise	$12⅞	12	12⅛	+⅛
1748	U Keno	$8½	8½	8½	—¼
1009	Verell A f	465	465	465	—5
2400	Vestgron	$5⅛	5	5	—⅜
1280	Wardair	$22⅝	22⅛	22⅛	
3221	Wetcwod	$17	17	17	
6700	Westmin	$14⅝	14⅛	14⅛	—⅜
7050	Weston	$89	88½	88½	—1
16171	Woodwd A	$19⅛	19	19	
27400	Yk Bear	$7⅝	7⅝	7⅝	+⅛

MONTREAL
Closing prices September 4

Sales	Stock	High	Low	Close	Chng
40800	Bank Mont	$20¾	20½	20½	—¼
1838	BombrdrA	$15¼	15¼	15¼	
22900	BmbrdrB	$15½	14½	15½	—⅛
2798	CB Pak	$21½	20⅞	21½	+1
17340	Cascades	$19⅞	19⅝	19¾	+⅛
3768	ConBath	$17⅞	17	17⅞	
2935	DomTxtA	$11½	11½	11½	
14022	Gaz Metro	$11⅞	11⅞	11⅞	
250	MntTrst	$16⅝	16⅝	16⅝	+⅜
77165	NatBk Cda	$22⅛	22⅝	22¼	+⅛
19900	Power Corp	$18⅛	17¾	18	—⅛
13841	Royal Bank	$31½	31¼	31½	+⅛
1522	RoyTrstco	$23	22⅞	22⅞	—⅛
400	SteinbrgA	$25¼	25¼	25¼	—⅛

Total Sales 2,970,674 shares

Indices

NEW YORK—DOW JONES

	Sept 4	Sept 3	Sept 2	Aug 30	Aug 29	Aug 28	1985 High	1985 Low	Since Compilation High	Since Compilation Low
Industrials	1,328.72	1,328.19	closed	1,334.01	1,335.13	1,331.88	1359.54 (19/7)	1184.96 (4/1)	1359.54 (19/7/85)	41.22 (2/7/32)
Transport	679.86	686.58	closed	690.86	691.40	687.27	702.8 (17/7)	553.83 (4/1)	702.68 (17/7/85)	12.32 (8/7/32)
Utilities	158.06	156.85	closed	159.67	159.83	160.03	168.91 (12/7)	146.54 (4/1)	166.91 (12/7/85)	10.5 (28/4/42)
Trading vol	—	81.2m	closed	81.8m	85.6m	83.5m	—	—	—	—

	Aug 23	Aug 16	Aug 9	Year Ago (Approx)
Ind Div Yield %	4.66	4.68	4.65	4.76

STANDARD AND POORS

	Sept 4	Sept 3	Sept 2	Aug 30	Aug 29	Aug 28	1985 High	1985 Low	Since Compilation High	Since Compilation Low
Industrials	208.18	208.82	closed	208.68	210.01	209.89	215.83 (18/7)	128.24 (4/1)	215.83 (19/7/85)	3.82 (30/6/32)
Composite	187.37	187.91	closed	188.63	188.92	188.83	195.65 (17/7)	163.68 (4/1)	195.65 (17/7/85)	4.40 (1/6/32)

	Aug 28	Aug 21	Aug 14	Year Ago (Approx)
Ind div yield %	3.72	3.72	3.75	3.91
Ind. P/E Ratio	11.82	11.9	11.79	11.83
Long Gov Bond Yield	10.38	10.38	10.83	12.84

N.Y.S.E. ALL COMMON

Sept 4	Sept 3	Sept 2	Aug 30	1985 High	1985 Low
108.61	108.91	closed	109.30	113.49 (17/7)	94.60 (4/1)

RISES AND FALLS

	Sept 3	Aug 30	Aug 29
Issues traded	1,982	1,959	1,956
Rises	499	754	780
Falls	1,045	701	659
Unchanged	438	504	517

New York Active Stocks

	Stocks Traded	3.00p.m. Price	Change on Day		Stocks Traded	3.00p.m. Price	Change on Day
Westg Ele	1,888,700	38¼	—⅝	Beatrice Co	883,700	33¾	—¼
Oak Ind	1,146,300	1⅞	+⅛	Mesa Pet	870,200	17½	—⅜
No Ind Ps	1,097,800	11½	+⅛	Scott Pap	844,700	41	+1¼
Union Carb	924,800	54¾	—¾	Travelers	822,400	41	—⅛
Balt Gas	898,400	22⅞	+⅛	Uncal Cp	788,700	28¾	+¼

Advances 517 Declines 942

TORONTO

	Sept 4	Sept 3	Sept 2	Aug 30	1985 High	1985 Low
Metals & Minls	2,087.15	2,096.8	closed	(NA)	2188.7 (13/2)	1886.8 (4/1)
Composite	2,794.86	2,806.8	closed	2,810.8	2819.9 (30/8)	2348.5 (8/1)
MONTREAL Portfolio	138.08	138.48	closed	138.87	139.33 (19/7)	117.88 (4/1)

* Indicates pre-close figure

	Sept 4	Sept 3	Sept 2	Aug 30	1985 High	1985 Low
AUSTRALIA						
All ord. (1/1/80)	934.5	937.3	937.0	937.8	958.9 (15/8)	715.3 (7/1)
Metals & Mins. (1/1/80)	521.2	525.4	528.8	524.5	583.8 (20/5)	382.5 (7/1)
AUSTRIA						
Credit Aktien (2/1/62)	98.75	100.24	100.25	100.13	105.73 (17/8)	85.21 (2/4)
BELGIUM						
Brussels SE (1/1/80)	2408.41	2399.20	2388.63	2380.68	2408.41 (4/9)	2090.7 (18/1)
DENMARK						
Copenhagen SE (3/1/83)	u	218.78	215.65	u	217.86 (8/8)	158.44 (8/1)
FRANCE						
CAC General (31/12/82)	223.1	223.0	223.0	222.4	233.1 (31/5)	180.8 (3/1)
Ind Tendance (28/12/84)	126.6	126.6	126.7	126.6	130.4 (31/5)	100.1 (3/1)
GERMANY						
FAZ Aktien (31/12/58)	497.32	501.82	498.10	501.50	502.62 (5/7)	382.38 (3/1)
Commerzbank (1/12/53)	1480.0	1475.8	1485.0	1472.8	1488.2 (5/7)	1111.8 (3/1)
HONG KONG						
Hang Seng Bank (31/7/64)	1578.54	1588.22	1618.17	1656.10	1711.61 (18/8)	1220.74 (2/1)
ITALY						
Banca Comm. Ital. (1972)	375.34	375.88	373.83	375.98	378.46 (28/8)	228.58 (2/1)
JAPAN**						
Nikkei-Dow (16/5/49)	12529.47	12630.96	12726.84	12713.1	13040.10 (8/7)	11545.2 (5/1)
Tokyo SE New (4/1/68)	1005.00	1012.50	1018.30	1018.49	1055.91 (8/7)	916.93 (4/1)
NETHERLANDS						
ANP-CBS General (1970)	u	223.0	221.9	220.5	223.0 (3/9)	185.6 (3/1)
ANP-CBS Indust (1970)	u	194.1	193.3	192.9	194.1 (3/9)	147.9 (3/1)
NORWAY						
Oslo SE (4/1/83)	352.89	353.07	358.05	353.83	380.15 (22/8)	288.18 (2/1)
SINGAPORE						
Straits Times (1966)	750.12	751.86	754.78	752.88	852.85 (7/3)	717.95 (15/7)
SOUTH AFRICA						
JSE Gold (28/9/78)	—	981.1	—987.2	c	1140.8 (15/4)	836.1 (11/2)
JSE Indust (28/9/78)	—	948.6	—945.3	c	1036.8 (17/7)	767.1 (7/3)
SPAIN						
Madrid SE (28/12/84)	110.89	110.79	110.81	110.55	117.41 (4/2)	101.48 (2/1)
SWEDEN						
Jacobson & P (1/1/58)	1378.50	1374.28	1368.18	1352.12	1488.88 (11/2)	1285.32 (9/7)
SWITZERLAND						
Swiss Bank Cpn. (31/12/58)	478.2	481.8	483.9	483.5	483.9 (2/9)	386.7 (3/1)
WORLD						
Capital Intl. (1/1/70)	—	218.0	219.4	220.6	224.3 (17/7)	184.6 (4/1)

* Indicates pre-close figure ** Saturday August 31 Japan Nikkei Dow 12,716.52 TSE 1,017.58 Base values of all indices are 100 except Australia All Ordinary and Metals – 500 NYSE All Common – 50 Standard and Poors – 10† and Toronto Composite and Metals – 1000 Toronto indices based 1975 and Montreal Portfolio 4/1/83 † Excluding bonds ‡ 400 Industrials § 400 Industrials plus 40 Utilities Financials and 20 Transports c Closed u. Unavailable

LONDON Chief price changes
(in pence unless otherwise indicated)

RISES		
AAH	150	+12
Allied-Lyons	267	+15
Astbury & Mad	130	+8
BICC	220	+17
Bestwood	335	+27
Charterhouse	101	+12
Courtaulds	145	+5
Desoutter Bros	198	+8
Haynes Publish	380	+30
P & O Defd	421	+23
Ransomes Sims	133	+15
Rotaflex	178	+13
Somportex	80	+8
Tilbury	130	+8
Triplex	65	+7
Utd Scient	197	+12
Wheway Watson	19½	+3

FALLS		
BAT Ind	320	—8
CASE	150	—22
Cadbury	144	—7
Cement-Road	76½	—4½
Fenner (JH)	128	—17
GRE	685	—45
Legal & Gen	700	—27
LASMO	273	—5
Lucas Ind	331	—12
Memcom Int	85	—25
Rank Org	398	—10
Sun Alliance	475	—22
Vosper	187	—11

OVER-THE-COUNTER
Nasdaq national market, closing prices

Continued from Page 33

Stock	Sales (Hnds)	High	Low	Last	Chng
[illegible]					

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
23 3/8	16	AAR	.56	2.4	15	328	u23 1/2	22 3/4	23 3/8	+3/8
17 3/8	9 3/4	AGS			12	170	15 3/4	15 3/8	15 3/8	-3/8
21 1/2	13	AMF	.25j		97	764	13 5/8	13 1/2	13 5/8	+1/8
50 3/4	24 7/8	AMR			7	5358	44 3/8	43 5/8	43 7/8	-1/8
23 1/2	18 5/8	AMR pf	2.18	9.3		4	23 1/2	23 3/8	23 1/2	+1/8
25 7/8	23	ANR pf	2.67	11.		1	23 5/8	23 5/8	23 5/8	
22	19	ANR pf	2.12	10.		46	20 3/8	20 1/4	20 3/8	+1/8
14 1/4	7 5/8	APL				30	9 3/4	9 5/8	9 3/4	+1/8
61 1/8	34 3/4	ASA		25.1		1335	38 3/8	37 1/2	38 3/8	+2 1/8
27	12 1/2	AVX	.32	2.5	18	161	12 7/8	12 5/8	12 3/4	
28 1/8	18 1/8	AZP	2.72	11.	7	1571	24 3/8	24	24	-1/4
60	36 3/4	AbtLab	1.40	2.5	16	1282	57 1/2	56 1/2	56 7/8	-3/4
25 7/8	20	AccoWd	.50	2.2	17	15	22 3/4	22 3/4	22 3/4	
24 3/4	12 1/2	AcmeC	.40	2.9		516	14 1/4	14	14	-1/8
10 1/2	7 3/8	AcmeE	.32b	4.1	11	3	7 3/4	7 3/4	7 3/4	-1/4
19	15 1/2	AdaEx	1.92e	11.		101	17 7/8	17 1/2	17 5/8	-1/8
20	13 1/2	AdmMl	.32	2.0	7	20	16 3/8	16 1/4	16 1/4	-1/4
18 5/8	8 5/8	AdvSys	.53t	4.4	19	15	12 1/8	12	12	-1/8
40 3/8	22 1/8	AMD			16	3976	26 1/2	25 7/8	26 1/8	-1/4
12 1/8	6 7/8	Advest	.12	1.3	21	57	9 3/8	9 1/4	9 1/4	-1/8
15 7/8	9 1/2	Aerflex			12	115	13 7/8	13 3/4	13 3/4	-1/8
49 3/8	32 3/8	AetnLf	2.64	6.1	15	3078	43 7/8	43 1/8	43 1/2	
57 1/2	52 3/8	AetL pf	5.79e	10.		8	57	57	57	+1/4
37 3/8	18 1/4	Ahmns	1.20	3.7	8	1084	32 1/4	32	32 1/4	+1/8
3 5/8	2 1/2	Aileen				13	3 1/8	3 1/8	3 1/8	
57	42	AirPrd	1.20	2.3	12	304	52 7/8	52 1/2	52 1/2	-1/4
24 3/8	15	AirbFrt	.60	2.6	13	157	22 7/8	22 1/2	22 7/8	
2 1/8	1 1/8	AlMoa s	.10e	5.0		34	2	1 7/8	2	
33 3/8	27 1/4	AlaP pfA	3.92	13.		66	30 3/4	30 1/4	30 1/2	-1/4
8 1/8	6 1/4	AlaP dpf	.87	11.		43	7 7/8	7 3/4	7 7/8	+1/8
82	63 1/2	AlaP pf	9	12.		2440	77	76 3/4	77	
[illegible]										

Continued on Page 33

NYSE COMPOSITE CLOSING PRICES

Continued from Page 32

12 Month High	Low	Stock	Div. Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]									
44½	28	Robtsn 1.80	5.8		48	27½	27⅛	27½	+⅜
24⅜	5½	vjRobins			624	8¼	8	8⅛	−¼
24⅞	16⅛	RochG 2.20	9	6.8	177	22⅞	22⅝	22⅞	
42⅞	30¼	RochTl2.44	6.4	10	283	38	37	38	+1
41¾	27¾	Rockwl1.12	2.7	10	1968	41	40¾	40⅞	−⅛
147	103	Rkint pf1.35	.9		1	145	145	145	+1
73	55¾	RohmH2.20	3.4	11	727	65¼	64⅞	65⅛	−½
66	39	Rohrln		11	507	65	64¼	64¼	−⅝
27¼	12¾	RolnCm.40	1.6	31	54	26	25½	25¾	−⅛
36⅝	10½	RolinE s .10	.4	24	255	25⅞	25	25⅝	+⅝

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

AMEX COMPOSITE CLOSING PRICES

OVER-THE-COUNTER *Nasdaq national market, closing prices*

Continued on Page 31

FINANCIAL TIMES
WORLD STOCK MARKETS

WALL STREET

Farm credit worries a depressant

THE investment uncertainties gathering around the U.S. economy deepened yesterday after reports in the investment press that the federal farm credit system was seeking help from the Federal Reserve, *writes Terry Byland in New York.*

In the credit markets, interest rates dipped sharply on the prospect that federal support might be pending for the $74bn loans of the farm credit system, the major holders of debts from the financially-strained U.S. farming industry.

The prospect of a new round of problems in agribusiness unsettled the stock market.

Although on the downside throughout the session, the market rallied in the final half hour of trading. The Dow Jones industrial average closed a net 2.47 points lower at 1,326.72.

Trading remained moderate but blue chips turned lower after a firm start. John Deere, the farm machinery manufacturer, fell $1 to $26¾.

The credit markets responded vigorously to reports that the Governor of the Farm Credit Administration, reversing his recent position, had asked for direct federal aid.

Such a prospect strengthens the case of those credit market analysts who believe that the Federal Reserve will shortly be forced to stimulate a flagging economy – perhaps even by cutting the federal discount rate from its present level of 7.50 per cent.

The stock market's response was still lethargic, but selling of blue chips quickened at mid-session when the Standard & Poor's September futures contract traded at a small discount to the index itself. This offers a technical opportunity to sell the index stocks and buy the futures.

Airline issues continued to slide after being tipped as "sells" by a brokerage house. American at $43⅞ lost $¼, and Delta eased $⅞ to $44⅜. Pan Am shed a further $⅛ to $7⅝.

Union Carbide rallied from early weakness to close $¼ off at $55¼ in heavy trading after a company press conference left unanswered the problem of the share stake acquired by Gaf.

The defence sector was jolted by reported shifts in U.S. military contract plans. Northrop plunged $2¼ to $51½ on rumours that the navy was opening to competition a contract believed safely netted. General Dynamics, understood likely to be invited to tender, added $⅛ to $77¼. Lockheed fell $1⅜ to $52. Fairchild Industries, reacting to Air Force cancellation of its training aircraft contract, dipped $¼ to $9⅞.

A delayed opening in Lear Siegler, on its comment that some outside earnings forecasts were "substantially overstated", brought a fall of $7⅛ to $47½ in the stock.

IBM and the other technology leaders looked dull without suffering any major losses. At $127½, IBM edged up $½, with Burroughs $½ off at $64¼ and Honeywell $¼ off at $62.

The Detroit carmaker stocks remained out of favour, General Motors ran into further selling orders, which took $⅝ off the shares, leaving them at $66⅝. Ford gave up $¼ to $43⅝.

A major new feature was the jump of $1¼ to $41 in Scott Paper as Wall Street took a favourable view of the C$740m repurchase of the 25 per cent stake held by Brascan, the Canadian investment group.

In the market's chief takeover spot, SCM traded unchanged at $72 after Mr Ivan Boesky, the arbitrageur, disclosed that he holds 8.7 per cent of the equity. Hanson Trust of the UK moved for an early closure of its $72-a-share bid as the SCM board approved plans for its $70-a-share leveraged buyout, in concert with Merrill Lynch.

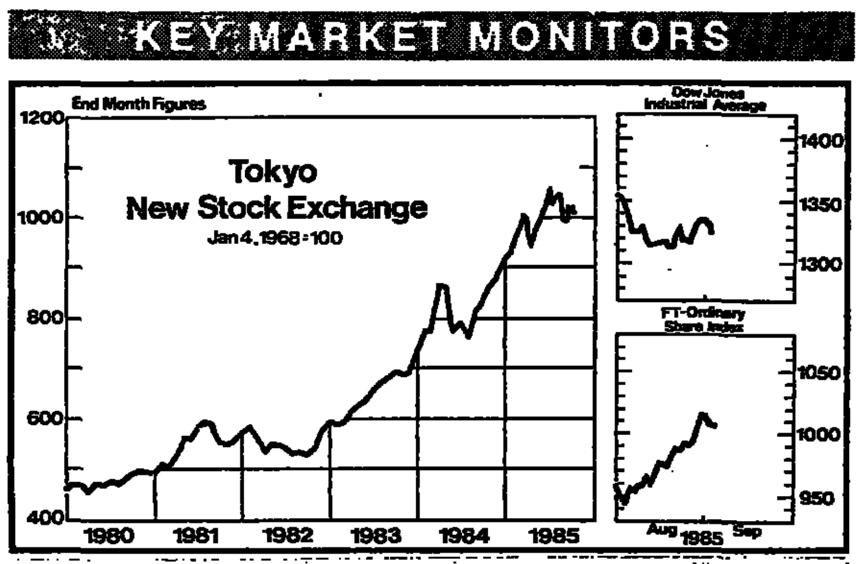
Also presented with a leveraged buyout was Datapoint, which edged up by $¼ to $5⅝, against the offer of $6-a-share.

Banking issues shaded lower on the new uncertainties over loans to the farming industry, but selling was very light. BankAmerica eased $⅛ to $15. Chase Manhattan, at $54½ was $¼ lower and Bankers Trust was unchanged at $65.

The slide in credit market rates was aided by a return of the federal funds rate to below the 8 per cent mark without any need for help from the Federal Reserve. There were some signs of a movement towards federal paper in the money markets, where Treasury-bill rates eased by about 8 basis points.

Bonds saw more activity than for the past week, and prices returned to their best levels after a brief pause at mid-session. At the longer end, gains ranged to more than half a point, with investors attracted to federal issues by both the doubts over the farm credit system and hints that the discount rate might be cut before the end of the month.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	Sept 4	Previous	Year ago
DJ Industrials	1,326.72	1,329.19	1,212.35
DJ Transport	679.66	686.56	510.52
DJ Utilities	159.06	158.85	128.44
S&P Composite	187.37	187.91	164.88
LONDON	Sept 4	Previous	Year ago
FT Ord	1,006.4	1,007.8	839.9
FT-SE 100	1,336.7	1,335.5	1,083.7
FT-A All-share	642.56	645.33	512.34
FT-A 500	706.14	708.57	555.41
FT Gold mines	289.9	291.2	527.3
FT-A Long gilt	10.31	10.34	10.64
TOKYO			
Nikkei-Dow	12,529.47	12,630.96	10,609.5
Tokyo SE	1,005.00	1,012.50	815.36
AUSTRALIA			
All Ord.	934.5	937.3	728.7
Metals & Mins	521.2	525.4	453.8
AUSTRIA			
Credit Aktien	99.75	100.24	53.27
BELGIUM			
Belgian SE	2,408.41	2,399.2	–
CANADA	Sept 4	Prev	Yr ago
Toronto			
Metals & Minls	2,067.19	2,096.77	1,994.00
Composite	2,794.06	2,805.99	2,389.10
Montreal			
Portfolio	136.00	136.46	116.93
DENMARK			
SE	n/a	216.79	184.31
FRANCE			
CAC Gen	223.1	223.0	173.2
Ind. Tendance	126.6	126.6	112.2
WEST GERMANY			
FAZ-Aktien	497.32	501.62	344.27
Commerzbank	1,460.0	1,475.8	1,002.4
HONG KONG			
Hang Seng	1,578.54	1,586.22	947.02
ITALY			
Banca Comm.	375.34	375.38	215.27
NETHERLANDS			
ANP-CBS Gen	n/a	223.0	165.5
ANP-CBS Ind	n/a	194.1	131.3
NORWAY			
Oslo SE	352.69	353.07	255.18
SINGAPORE			
Straits Times	750.12	751.86	916.8
SOUTH AFRICA	Sept 3	Prev	Yr Ago
JSE Golds	–	981.1	937.4
JSE Industrials	–	948.6	834.1
SPAIN			
Madrid SE	110.69	110.79	140.11
SWEDEN			
J & P	1,379.50	1,374.28	1,449.78
SWITZERLAND			
Swiss Bank Ind	478.2	481.8	379.7
WORLD	Sept 3	Prev	Year ago
Capital Int'l	218.0	219.4	184.3

GOLD (per ounce)

	Sept 4	Prev
London	$324.75	$328.50
Zürich	$325.50	$328.55
Paris (fixing)	$329.04	$333.93
Luxembourg	$324.00	$333.20
New York (Oct)	$326.90*	$326.60

* Latest available figure

CURRENCIES

	U.S. DOLLAR		STERLING	
(London)	Sept 4	Previous	Sept 4	Previous
$	–	–	1.374	1.369
DM	2.8475	2.854	3.9175	3.9075
Yen	239.55	239.45	329.0	328.0
FFr	8.7025	8.715	11.9475	11.9425
SwFr	2.3455	2.351	3.2125	3.2175
Guilder	3.21	3.21	4.395	4.395
Lira	1,905.0	1,906.0	2,618.0	2,610.0
BFr	57.65	57.75	79.2	79.1
C$	1.36875	1.37055	1.88	1.877

INTEREST RATES

	Sept 4	Prev
Euro-currencies (3-month offered rate)		
£	11⅝	11 11/16
SwFr	4¾	4¾
DM	4⅝	4¾
FFr	10 9/16	10⅝
FT London Interbank fixing (offered rate)		
3-month U.S.$	8¼	8¼
6-month U.S.$	8⅜	8 7/16
U.S. Fed Funds	7⅞	8¼
U.S. 3-month CDs	7.85	7.90
U.S. 3-month T-bills	7.03	7.11

U.S BONDS

Treasury		Sept 4* Price	Yield	Prev Price	Yield
8⅞	1987	100 5/32	8.821	99 29/32	8.91
10⅝	1992	101 23/32	10.00	101 19/32	10.12
10½	1995	102 19/32	10.124	101 24/32	10.22
10⅝	2015	102 6/32	10.378	101 19/32	10.45

Corporate	Sep 4* Price	Yield	Prev Price	Yield
AT & T				
10⅛ June 1990	100⅞	10.10	100⅞	10.10
3⅞ July 1990	82¾	8.25	82¾	8.25
8¾ May 2000	83¾	10.85	83¾	10.85
Xerox				
10⅛ Mar 1993	100.886	10.45	100⅞	10.45
Diamond Shamrock				
10⅝ May 1993	100.618	10.50	100⅝	10.50
Federated Dept Stores				
10⅞ May 2013	95.09	11.20	95.50	11.15
Abbot Lab				
11.80 Feb 2013	103.313	11.40	103.748	11.35
Alcoa				
12¼ Dec 2012	101⅞	12.00	101⅞	12.00

Source: Salomon Bros

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
Dec	76–23	76–31	76–16	76–10
U.S. Treasury Bills (IMM) $1m points of 100%				
Dec	92.79	92.86	92.74	92.66
Certificates of Deposit (IMM) $1m points of 100%				
Dec	91.93	91.97	91.90	91.87
LONDON				
Three-month Eurodollar $1m points of 100%				
Dec	91.62	91.65	91.52	91.50
20-year Notional Gilt £50,000 32nds of 100%				
Dec	112–04	112–15	111–29	111–28

COMMODITIES

(London)	Sept 4	Prev
Silver (spot fixing)	442.85p	451.00p
Copper (cash)	£1,014.00	£1,010.50
Coffee (Nov)	£1,645.00	£1,643.00
Oil (spot Arabian Light)	$27.80	$27.80

TOKYO

U.S. trade friction a dampener

A WAVE of small-lot selling dampened trading in a broad range of stocks in Tokyo yesterday, driving prices sharply lower, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei-Dow market average shed 101.49 from the previous day to 12,529.47. Volume contracted further from Tuesday's 384.76m shares to 305.45m, and losses outnumbered advances by 568 to 216, with 154 issues unchanged.

However, Minebea attracted strong buying interest on speculation over reported moves by the Trafalgar Holdings of the U.S. to launch a takeover bid for the group. The leading Japanese precision ball-bearing maker was the second most active stock with 12.94m shares changing hands and closed Y26 higher at Y831 after gaining Y30 at one stage.

Investors generally lacked enthusiasm because of concern over a rekindling of Japan-U.S. trade friction and the yen's sharp fall against the dollar. Continued drops by Hitachi and Asahi Chemical further depressed trading.

Hitachi, which is expected to suffer a profit fall in the business year ending in March 1986 due to the slump in the semiconductor market, remained under selling pressure, losing Y16 to a low for this year of Y645.

Asahi Chemical declined Y15 to Y780, affected by the reported side effects of its anticancer agent, TNF. The issue fell to Y771 at one stage, coming close to the low for this year of Y770 reached in April.

Large-capital stocks fared poorly. Mitsubishi Heavy Industries topped the active list with 16.13m shares traded, but closed Y11 lower at Y391. Nippon Steel dipped Y4 to Y172 and Kawasaki Heavy Industries Y3 to Y212.

Small-lot selling pushed down construction, blue chips, precision instruments and electricals. Ohbayashi fell Y8 to Y420, Kajima Y4 to Y456, NEC Y6 to Y907 and Nippon Kogaku Y21 to Y869.

Asset-heavy stocks, and electric powers and gases lost ground on a wide front. Mitsubishi Estate shed Y20 to Y930, Nippon Express Y10 to Y515 and Tokyo Electric Y30 to Y2,080.

Bond prices turned weaker after a firm start, with the yield on 6.8 per cent government bonds maturing in December 1994 rising from 6.150 per cent the previous day to 6.165 per cent.

SINGAPORE

ACTIVITY among speculative issues dominated otherwise mixed trading in Singapore with volume well down on the previous session.

Pahang Investment, with a turnover of 1m shares was the most active stock and closed steady at 50½ cents, while Arab Malaysian Development firmed 5 cents to 88½ cents and MBF Holdings added 30 cents to S$2.95 on a heavy volume.

Most leading issues registered only marginal movements with banks slightly firmer, plantations easier and property stocks mixed.

HONG KONG

OVERSEAS SELLERS helped depress share prices in Hong Kong, although declines were generally smaller than those recorded on the two previous days.

Concern about possible further increases in domestic interest rates again influenced the tone. The Hang Seng index closed 7.68 lower at 1,578.54, taking the loss this week to slightly in excess of 77.

EUROPE

Interest rate jitters cause shakeout

FEARS that interest rates may be pushed higher by the stronger U.S. dollar combined with profit-taking on European bourses yesterday to leave prices generally weaker.

Frankfurt's early rally on Tuesday was based on hopes that lower interest rates would spur West German economic growth. But jitters over the direction of rates caused prices to slide yesterday and the Commerzbank index dropped 15.8 to 1,460.0.

Banks remained nervous over the South African situation. Commerzbank shed DM 3 to DM 202.50, Deutsche slipped DM 2.50 to DM 574 and Dresdner shed DM 2 to DM 265.50.

Electrical and motor stocks suffered some of the sharpest falls. Varta led the electrical sector lower with a DM 6 drop to DM 226, Siemens was off DM 5.20 at DM 543 and AEG lost DM 2.40 to DM 138.20.

In cars, which have been stronger in the run-up to the car show in Frankfurt next week, VW skidded DM 6.50 lower to DM 323, BMW shed DM 5 to DM 467 and Daimler gave up a modest 50 pfg to DM 960.50. Porsche, however, rose DM 3 to DM 1,325.

Chemicals continued to be depressed by the news earlier this week of BASF's large 1-for-14 rights issue, which will take DM 760m out of the market. BASF shed DM 2.70 to DM 216, while Bayer lost DM 1.50 to DM 214.50 and Hoechst fell 70 pfg to DM 210.80.

Steel stocks posted lighter losses as Klöckner fell DM 2.30 to DM 69.50, Hoechst lost DM 2 to DM 209.50 and Mannesmann DM 1.20 to DM 201.80. Thyssen shed DM 2 to DM 127 ahead of news that it intends to resume payment of a dividend after improved earnings for the first three quarters.

Bond markets were unsettled by the dollar's rise to its highest levels against the D-Mark in months. Prices eased with longer maturities showing losses of up to 20 pfg.

The Bundesbank bought a small DM 3.8m worth of domestic paper after buying a large DM 128.9m worth the previous session.

Banks and insurances in Amsterdam were hit by interest rate fears.

ABN shed Fl 4.50 to Fl 507.50 ex-rights and NMB Fl 3 to Fl 212.

Wessanen, the food group, gained Fl 2 to Fl 180.50 and said it boosted first-half profits for 1985. Among other results, VMF, the machinery maker, raised its first-half income for this year and its shares slid Fl 3.20 to Fl 242.

Bonds were little changed in thin trading as a new state issue was announced.

As the traditional autumn buying mood gained momentum in Brussels, prices firmed and the Belgian stock exchange index rose to a record 2,408.41, up 9.12.

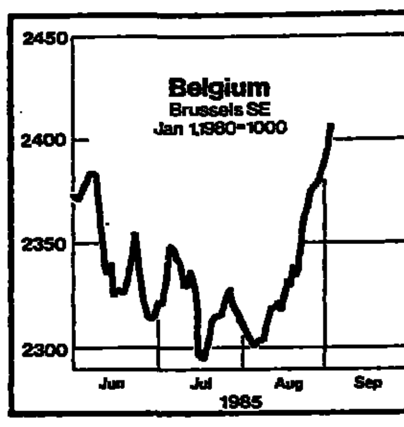
Retailer GB-Inno-BM added BFr 160 to BFr 4,060 and Petrofina continued to fall, shedding BFr 10 to BFr 6,120.

Profit-taking swept Zurich and prices took a beating. Alusuisse dropped SwFr 20 to SwFr 790 after the company said it expects substantially lower profits this year.

Banks showed widespread losses

Paris turned easier on interest rate worries. Technology and engineering shares were weak.

Michelin dipped FFr 16 to FFr 1,184 following news that the tyre group plans to raise FFr 1bn through a rights issue later this month.



Prices rose in Stockholm and Aga continued to trade heavily, rising SKr 2 to SKr 131.

Milan ended generally steady whereas Madrid experienced a slight drop from the previous session.

CANADA

A BROAD decline developed during trading in Toronto with losses clearly outnumbering advances.

Among the most active, Bell Canada traded C$⅛ down at C$43, Canadian Pacific C$⅛ off at C$17⅞ and Consumers Distributing the same amount lower at C$7⅞.

Banks firmed during generally weaker business in Montreal.

LONDON

Figures fire selected recovery

CONTINUED TAKEOVER speculation and trading results from market leaders, P&O and BICC helped reignite activity in London among blue chip industrials.

However, apart from these centres of activity equities were traded slowly, reflected in a 1.4 fall in the FT Ordinary share index to 1006.4 after being 4.9 higher during the morning.

P&O added 23p to 421p on favourable half-year results, while BICC added 17p to 220p after better than expected interim figures.

In contrast, international stocks met light selling as sterling staged a recovery. Most other leading shares also gave ground. although electrical majors traded on a steadier note than on Tuesday.

The gradual downward drift in gilts during recent sessions was arrested, aided by sterling's strength.

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AUSTRALIA

BEARISH FACTORS combined to leave the prices of industrial and selected mining issues lower in Sydney after another round of active trading.

Uncertainty about Federal Government tax proposals expected later this month, continued high domestic interest rates and weakness in the Australia dollar left the market on the decline.

BHP fell 4 cents to A$7.02, Boral 3 cents to A$3.60, Herald and Weekly Times 35 cents to A$4.50 and Industrial Equity 6 cents to A$6.90.

Among gold issues, GMK eased 30 cents to A$11.40, Whim Creek 15 cents to A$3.0 and Renison 10 cents to A$5.70.

SOUTH AFRICA

PROFIT-TAKING erased early gains among leading gold shares in Johannesburg following a recovery in the rand.

Freguls stood out with a R2 rise to R52, while Kinross lost R1 to R33.

Mining financials were mixed with De Beers closing 5 cents higher at R11.45.

Industrials lacked direction and were thinly traded.